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COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 1987

STATE OF COLORADO
ROY ROMER, GOVERNOR

DEPARTMENT OF ADMINISTRATION
FORREST CASON, EXECUTIVE DIRECTOR
DIVISION OF ACCOUNTS AND CONTROL
JAMES A. STROUP, STATE CONTROLLER

STATE OF COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 1987

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INTRODUCTORY SECTION

STATE OF COLORADO

DIVISION OF ACCOUNTS & CONTROL
Department of Administration
1525 Sherman Street, Room 706
Denver, Colorado 80203
Phone (303) 866-3281

Roy Romer
Governor

Forrest Cason
Executive Director

James A. Stroup
State Controller

January 22, 1988

The Honorable Roy Romer
Governor
State of Colorado

Dear Governor Romer

The Comprehensive Annual Financial Report of the State of Colorado for the fiscal year ended June 30, 1987 is hereby submitted. This report was prepared by the Division of Accounts and Control. We believe the data as presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the State as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain maximum understanding of the State's financial affairs have been included.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

The State's accounting records for governmental type funds are accounted for on a modified accrual basis with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for proprietary and fiduciary type funds are maintained on the accrual basis. That is, their revenues are recognized when they are earned and their expenses, including depreciation, are recognized when they are incurred.

In developing the State's Central Accounting System, consideration has been given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgements by management. All internal control evaluations occur within this framework. We believe that the State's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.
Budgetary control is maintained at the agency level and encumbrance accounting, under which purchase orders and contracts for expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the general,

special revenue, and capital project funds. Purchase orders or contracts which result in an overexpenditure of available balances are not released until additional appropriations are made available. Open encumbrances are not reported as a reservation of fund balances but are considered to be a commitment for the expenditure of available resources in future periods.

THE REPORTING ENTITY

The funds and entities related to the State of Colorado included in our Comprehensive Annual Report are controlled by or dependent on the State. The criteria applied in the exclusion of entities included their existence as an organized entity; governmental character; substantial autonomy; and materiality of organization to State operations. The following entities were examined and found to be separately constituted quasi-governmental units or foundations directed by independent boards, authorities, or commissions which are financially independent of the State.

Agricultural Development Authority
College and University Foundations
Health Facilities Authority
Housing Finance Authority
Post-Secondary Educational Facilities Authority
Public Employee's Retirement Association
Student Obligation Bond Authority
Water Resources and Power Development Authority

Additional information about the above entities is presented in the footnotes to this report. Audited financial reports are also available from each of the above entities.

STATEWIDE FUNCTIONS AND ACTIVITIES

Combined statewide financial statements reflect total assets of $4.8 billion and liabilities of $1.8 billion, leaving a residual total State fund equity of $3.0 billion. This is a $425 million, or 9.7% increase over the prior year.

A comparison of statewide revenues with the prior year are shown below:

Statewide Revenues by Source
(Expressed in Millions)

Source	1987 Amount	1987 Percent	1986 Amount	1986 Percent
Taxes	$2,667	48.7%	$2,490	48.4%
Federal Grants & Contracts	1,251	22.8	1,174	22.8
Charges for Goods & Services	1,016	18.5	877	17.0
Other Sources	249	4.5	289	5.6
Interest and Rents	153	2.8	191	3.7
Licenses, Permits & Fines	146	2.7	128	2.5
Total Revenues	$5,482	100.0%	$5,149	100.0%

As you will note from the preceding schedule, statewide revenues totaled $5.5 billion and increased by $333 million or 6.5% over the prior year. Tax revenues, which make up almost half of the total, increased by $177 million or 7.1% over the prior year. Charges for Goods and Services increased significantly by $139 million or 15.8% and also increased as a percentage of the total. This is primarily attributable to increases in the College and University and Enterprise funds.

Similarly, a comparison of statewide expenditures with the prior year follows:

Statewide Expenditures by Function
(Expressed in Millions)

	1987		1986	
Function	Amount	Percent	Amount	Percent
Intergovernmental	$1,462	27.4%	$1,426	28.8%
Education	1,254	23.5	1,157	23.4
Social Assistance	830	15.6	676	13.6
Transportation	426	8.0	428	8.6
Business, Community and Consumer Affairs	354	6.6	307	6.2
Justice	248	4.7	230	4.6
General Government	246	4.6	252	5.1
Health & Rehabilitation	234	4.4	236	4.8
Capital Outlay	163	3.1	161	3.2
Natural Resources	68	1.3	59	1.2
Debt Service	45	0.8	22	0.4
Total Expenditures	$5,330	100.0%	$4,954	100.0%

Statewide expenditures totaled $5.3 billion and increased by $376 million or 7.6% over the prior year. Intergovernmental expenditures are the largest component and represent distributions to local governments and school districts, primarily state aid for primary and secondary education. Education, which is the second largest category, represents State spending on higher education. It increased by $97 million or 8.4% over the prior year. Social Assistance also increased significantly by $154 million or 22.8%. This is the result of increased expenditures for indigent medical care and unemployment assistance and reflects the generally weaker overall economy.

The accompanying graphs on pages VII and IX show that statewide revenues, expressed in constant (1978) dollars, have increased an average of 2.1% over the past ten years while expenditures have increased an average of 2.6% over the same period.

GENERAL FUND ACTIVITIES

This fund is the major focus of the financial operations of the State. At June 30, 1987, total assets of the general fund were $598.0 million, an increase of $66.2 million or 12.5% over the previous year. Total liabilities of the general fund at June 30, 1987 were $466.4 million, an increase of $23.7 million or 5.4%.

Revenue from Taxes represents 69.1% of the total and increased by $131.1 million or 6.5% over the prior year. However, when compared to the original revenue estimates made in March 1986, they fell short by $96.4 million.

General fund revenues and transfers-in exceeded expenditures and transfers-out by $43.0 million. Of this, $1.8 million was reserved for various purposes and the remainder went to unreserved fund balance, which at June 30, 1987 was $45.1 million. This is an increase of $46.2 million from the previous year-end balance.

The graph on page X illustrates how the fund balance of the general fund, and particularly the unreserved portion, has fluctuated significantly over the past ten years. From a high of over $300 million in 1980, the unreserved fund balance has been under $50 million for the past six years.

CASH MANAGEMENT

At June 30, 1987, the State had $9.5 million cash on hand or in transit, $656.8 million deposited at financial institutions, and $897.6 million in various investments. These funds are managed by the State Treasurer, the University of Colorado Treasurer, and by other custodians in state agencies, primarily in higher education. On July 1, 1986 the State issued $410 million in General Fund Tax and Revenue Anticipation Notes, with an interest rate of 4.9%, for the purpose of covering a general fund cash flow deficit. These were repaid prior to June 30, 1987.

CAPITAL PROJECTS FUNDS

There was construction in progress at June 30, 1987 of $98.3 million, an increase of $48.7 million from the prior fiscal year. Total expenditures for the capital projects funds also increased by $7.6 million or 11.5%.

GENERAL FIXED ASSETS

The general fixed assets of the State are those assets such as land, buildings, or equipment which are used in the performance of general governmental functions and exclude the fixed assets of enterprise, internal service, and college and university funds. As of June 30, 1987, the general fixed assets of the State amounted to $592.1 million, an increased of $74.6 million or 14.4% over the prior year-end balance. This amount represents the recorded cost of the assets and may be considerably different from their present value. Depreciation of general fixed assets is not recognized in the State's accounting system.

INDEPENDENT AUDIT

Statutes require an audit of the financial records by the Legislative State Auditor. This requirement is complied with on an annual basis. The opinion rendered by the State Auditor regarding these financial statements appears on page 1 of this report.

ECONOMIC OUTLOOK

It is generally believed that the Colorado economy reached its low point during the recent economic downturn in the last quarter of calendar year 1986. Economic indicators such as state sales tax receipts, the unemployment rate, and business failures have shown stabilization or improvement. However, while the evidence points to a improving State economy, the improvement is unevenly distributed and still indicates relatively weak business conditions.

Current forecasts call for the State's non-agricultural employment to be virtually flat in 1987 and to grow by 0.8% in 1988. These growth rates are lower than levels predicted for the U.S. economy as a whole. The mining industry, construction, finance, insurance and real estate and durable manufacturing are expected to register negative growth rates in 1987. Only the construction industry, however, is expected to decline in both 1987 and 1988. The remaining sectors will show relatively modest rates of growth. Services will continue to be the largest single generator of jobs. An improved national economy with an improved trade picture should help the State in its recovery. The rate of unemployment in the State is forecast to be 8.0% for all of 1987 and to decline by 0.4% in 1988. With slow employment growth, personal income in the State will grow by only 2.4% and 4.6% in 1987 and 1988, respectively. This is in line with the rate of inflation forecast for the Denver Consumer Price Index, resulting in no real income growth. Retail trade sales are expected to grow by 2.5% in 1987 and 4.0% in 1988.

Housing permits are forecast to be off by roughly 33% in 1987 and 13% in 1988. This decline can be attributed to the need for an adjustment in the supply of both single-family and multi-family homes, the impact of the federal tax reform on multi-family housing and the faet that mortgage interest rates are forecast to rise over the next two years. Non-residential construction value is forecast to fall by 28% in 1987 before recovering to a 2.5% positive rate by 1988.

The outlook for the next few years is for a continuation of the economic recovery with steady but modest growth in employment. Through a combination of legislation, increased emphasis on economic development programs, and promotional activities, Colorado is making steady progress in improving the overall business climate in the State.

*****

Sound financial reporting is a prerequisite for effective fiscal management. I believe that need has been met in the presentation of this report and that it will assist you, as Governor, as well as the legislature and others in fulfilling their fiscal responsibilities to the citizens of Colorado.

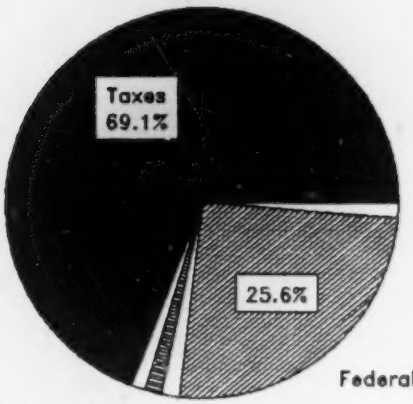
Sincerely,

James A. Stroup

James A. Stroup
State Controller

STATE OF COLORADO

GENERAL FUND
REVENUES BY SOURCE
FOR THE YEAR ENDED JUNE 30, 1987



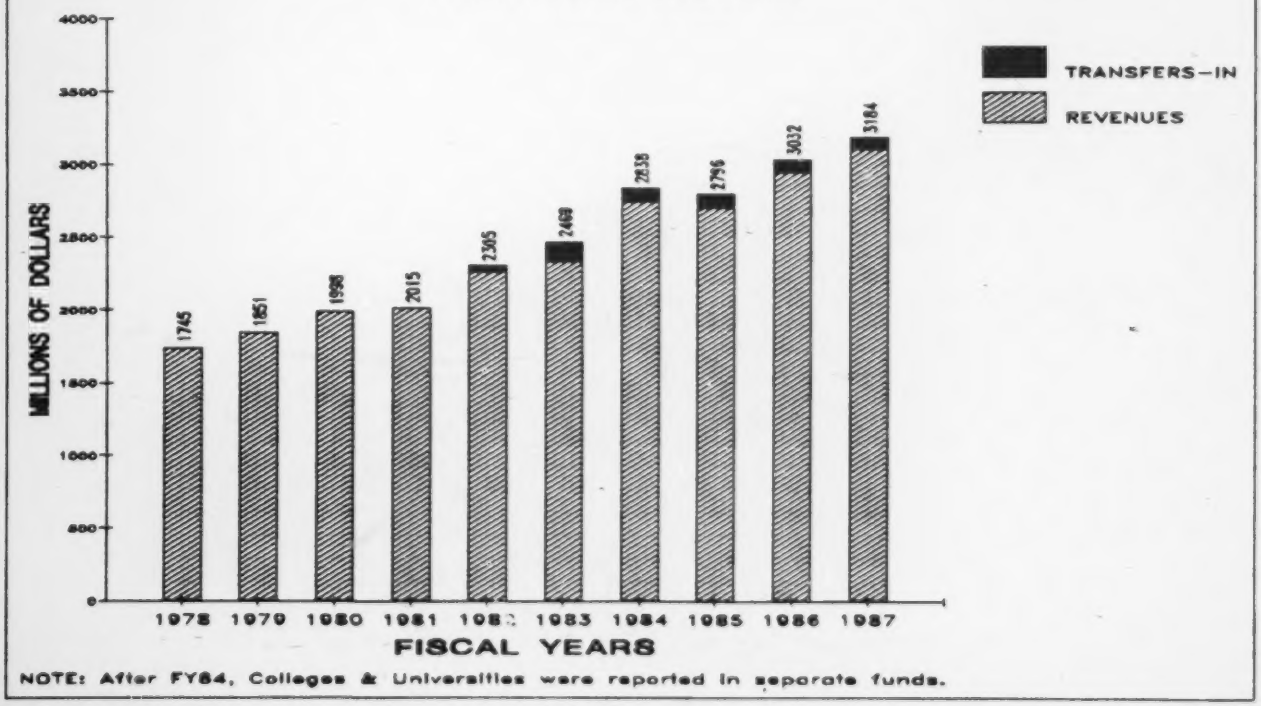
Other 1.2%

Federal Grants & Contracts

Licenses, Permits, & Fines 1.2%
Charges for Goods & Services 1.4%
Interest & Rents 1.5%

TOTAL REVENUES: $3,101 MILLION

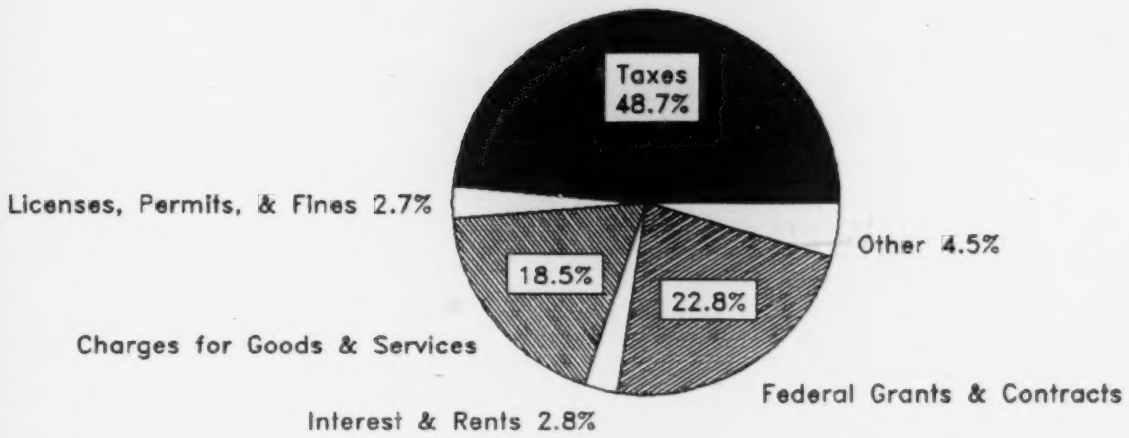
GENERAL FUND REVENUES AND OPERATING TRANSFERS–IN
TEN YEAR HISTORY



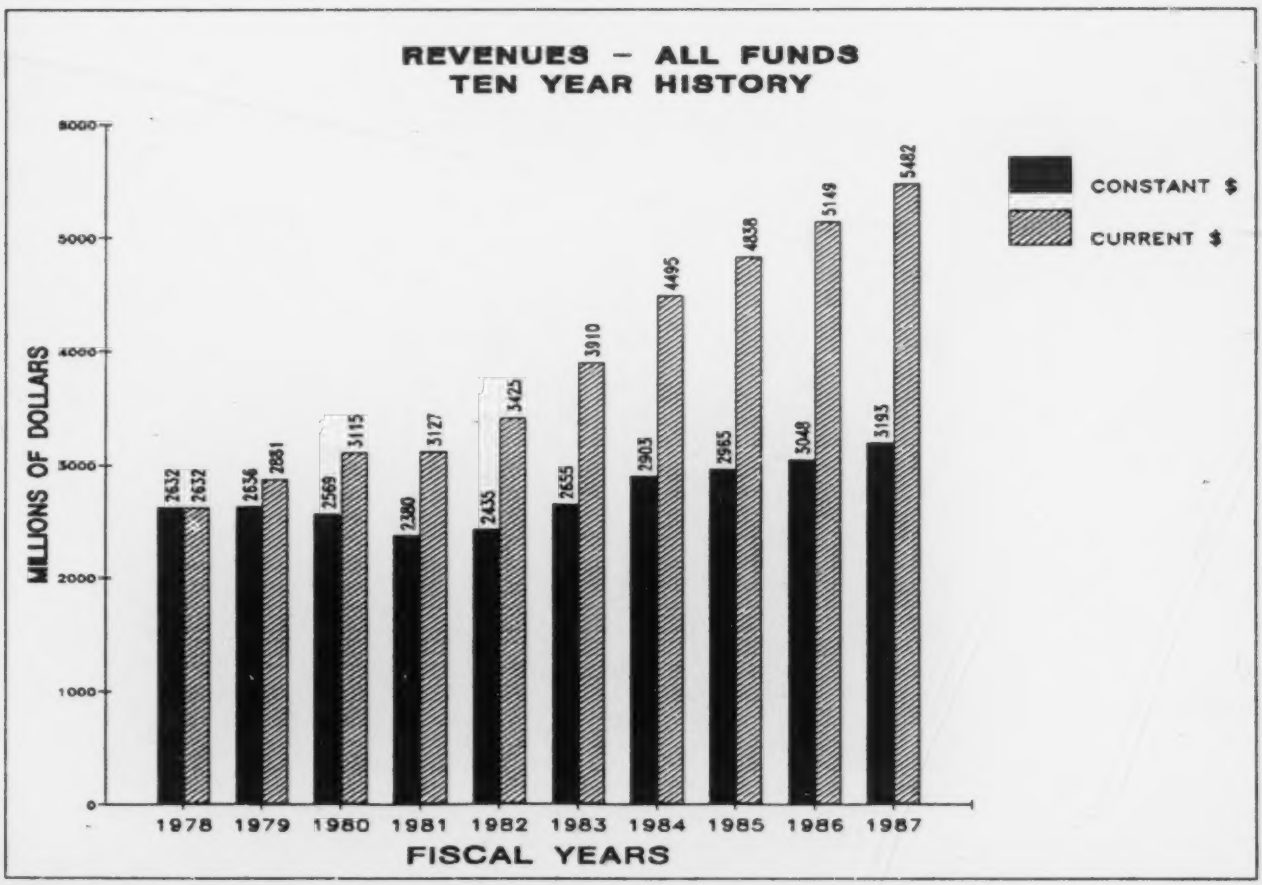
NOTE: After FY84, Colleges & Universities were reported in separate funds.

STATE OF COLORADO

ALL FUNDS
REVENUES BY SOURCE
FOR THE YEAR ENDED JUNE 30, 1987

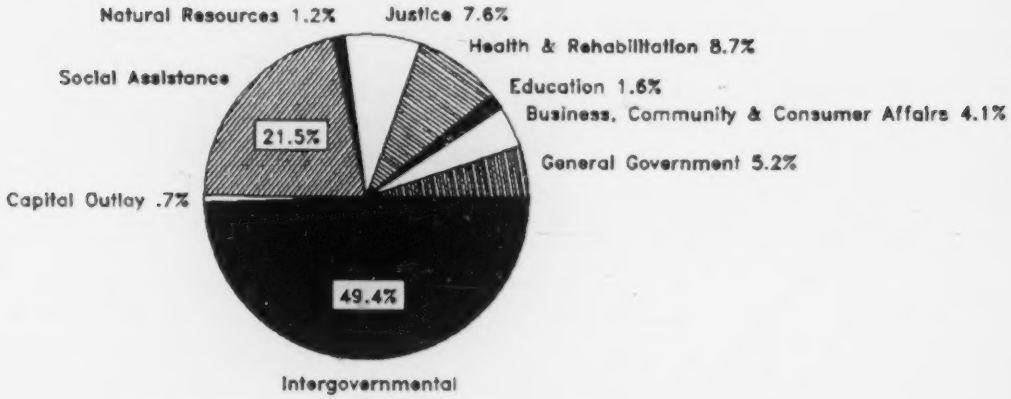


TOTAL REVENUES: $5,482 MILLION

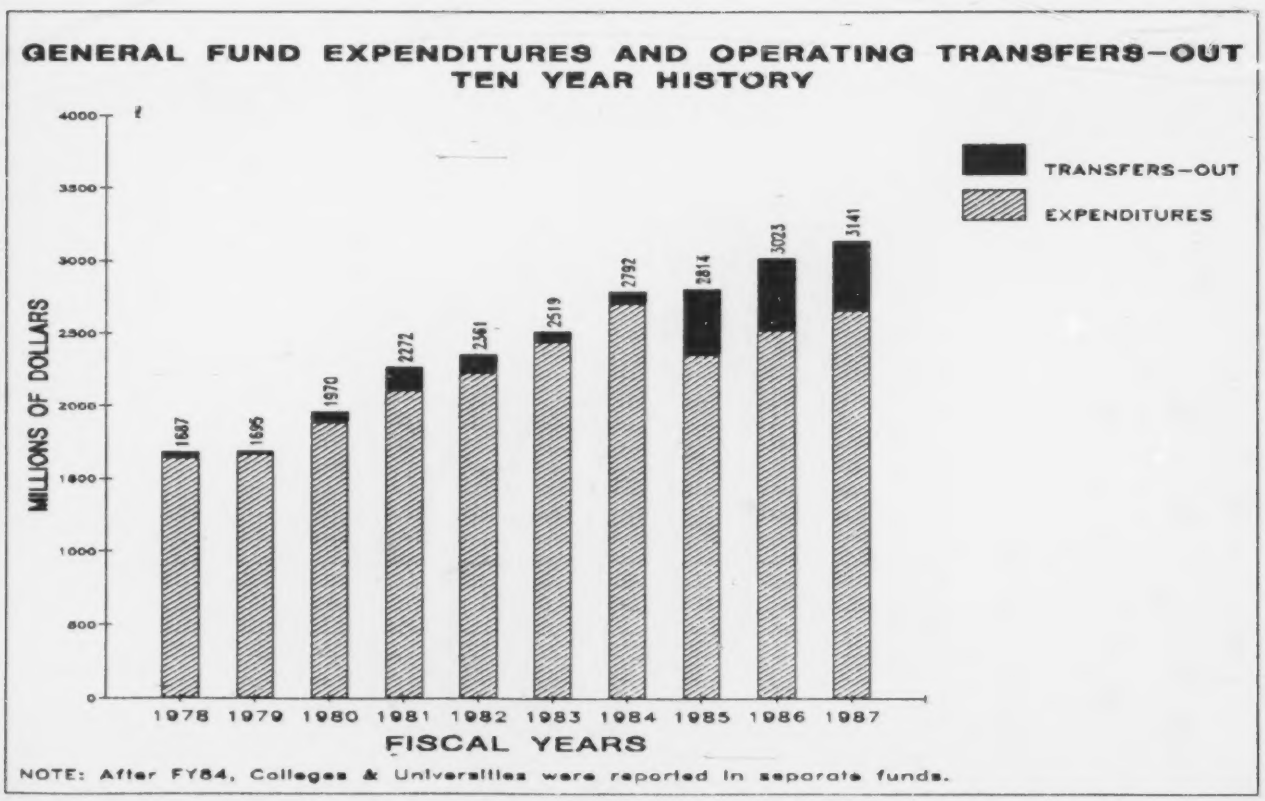


STATE OF COLORADO

GENERAL FUND
EXPENDITURES BY FUNCTION
FOR THE YEAR ENDED JUNE 30, 1987

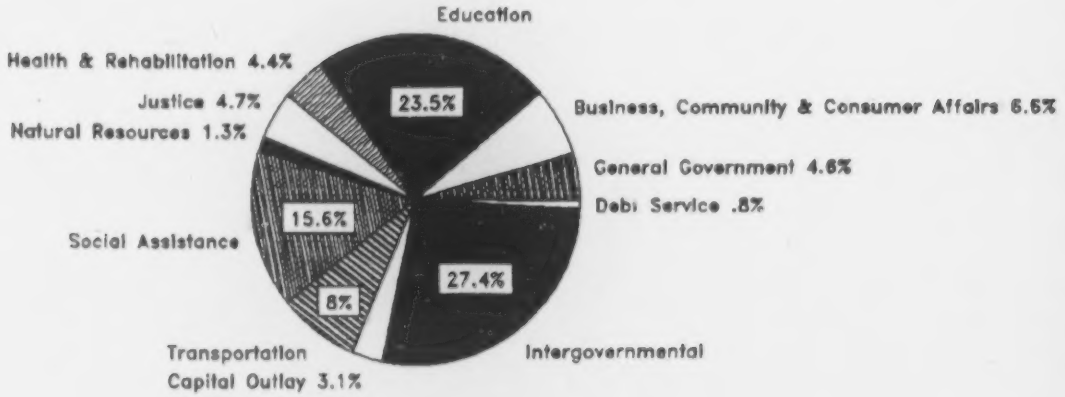


TOTAL EXPENDITURES: $2,868 MILLION

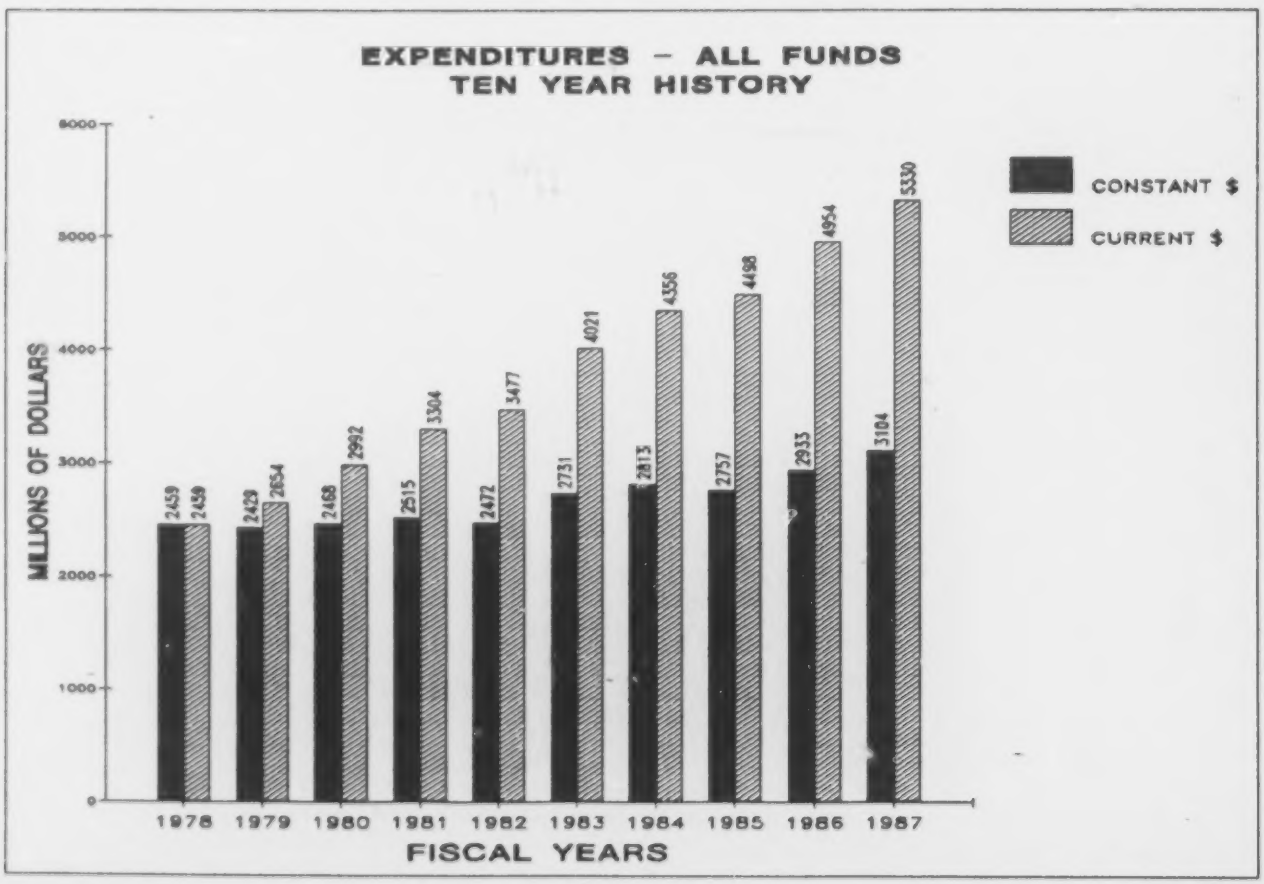


STATE OF COLORADO

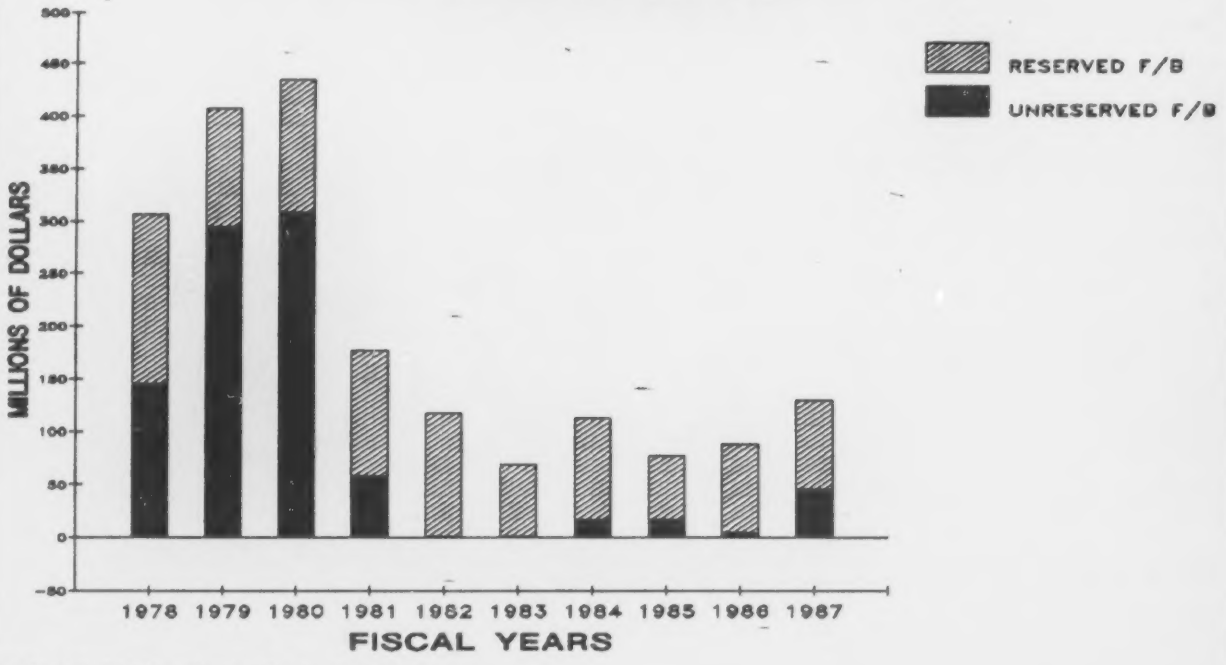
ALL FUNDS
EXPENDITURES BY FUNCTION
FOR THE YEAR ENDED JUNE 30, 1987



TOTAL EXPENDITURES: $5,330 MILLION

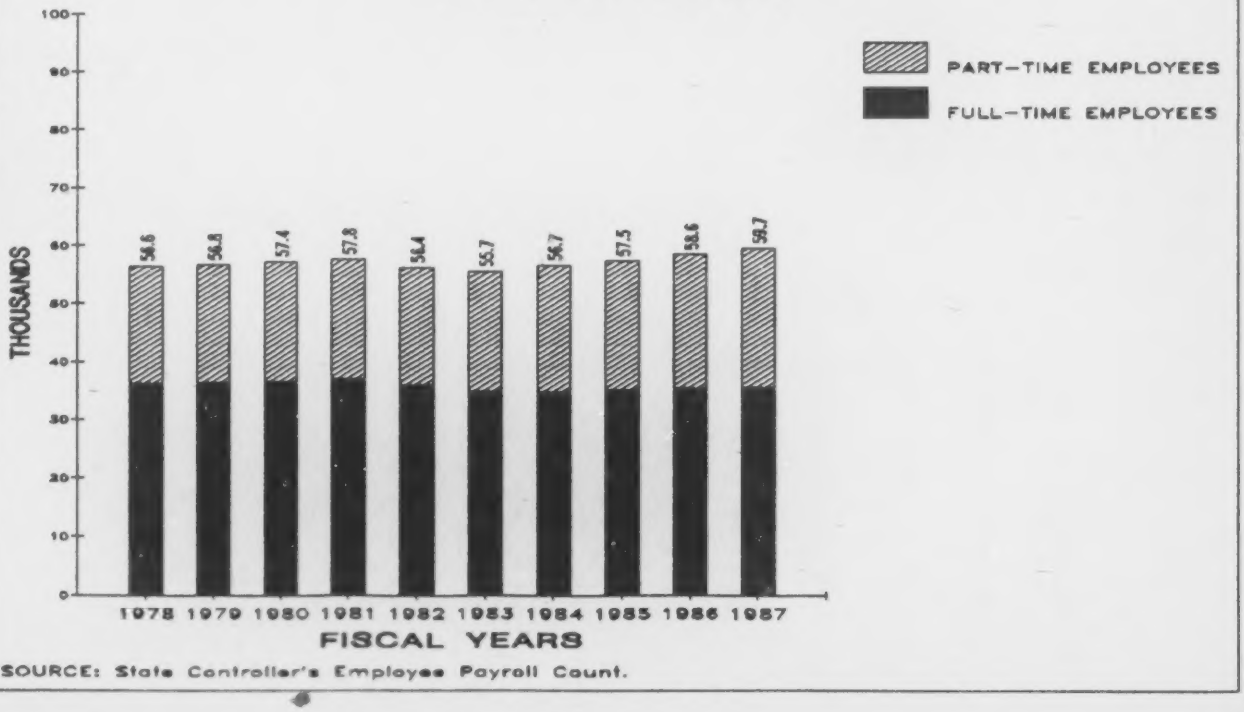


STATE OF COLORADO
GENERAL FUND
RESERVED AND UNRESERVED FUND BALANCE
TEN YEAR HISTORY



SOURCE: State Controller's Records.

TOTAL NUMBER OF STATE EMPLOYEES
TEN YEAR HISTORY



SOURCE: State Controller's Employee Payroll Count.

STATE OF COLORADO
PRINCIPAL ORGANIZATIONS AND KEY OFFICIALS
JUNE 30, 1987

LEGISLATIVE BRANCH:

General Assembly

Senate - Ted Strickland, President*

House of Representatives - Carl Bledsoe, Speaker*

State Auditor - Timothy O'Brien

EXECUTIVE BRANCH:

Governor - Roy Romer*

Lieutenant Governor - Michael Callihan*

State Treasurer - Gail S. Schoettler*

Secretary of State - Natalie Meyer*

Attorney General - Duane Woodard*

District Attorneys*

State Departments/Executive Directors:

Administration	Forrest M. Cason
Agriculture	Peter Decker
Corrections	Walter L. Kautzky
Education	Calvin Frazier
Health	Thomas Vernon
Higher Education	Blenda J. Wilson
Highways	Lowell Jackson
Institutions	Frank Traylor
Law	Duane Woodard
Labor & Employment	Robert F. Goss
Local Affairs	Timothy W. Schultz
Military Affairs	John L. France
Natural Resources	Clyde O. Martz
Personnel	JoAnn Soker
Public Safety	David Thomas
Regulatory Agencies	Henry Solano
Revenue	Steven V. Berson
Social Services	Irene M. Ibarra
State	Natalie Meyer
Treasury	Gail S. Schoettler

JUDICIAL BRANCH:

Joseph R. Quinn, Chief Supreme Court Justice

James D. Thomas, State Court Administrator

* Elected Officials

FINANCIAL SECTION

STATE OF COLORADO

OFFICE OF STATE AUDITOR
(303) 866-2051

TIMOTHY M. O'BRIEN, C.P.A.
State Auditor

Legislative Services Building
200 East 14th Avenue
Denver, Colorado 80203

January 12, 1988

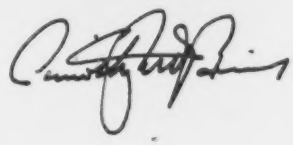
Members of the Legislative Audit Committee:

We have examined the general purpose financial statements of the State of Colorado as of and for the year ended June 30, 1987, as listed in the table of contents. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstance.

In our opinion the general purpose financial statements referred to above present fairly the financial position of the State of Colorado at June 30, 1987, and the results of its operations and changes in financial position of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Our examination was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and individual account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the State of Colorado. Such information has been subjected to the auditing procedures applied in the examination of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as whole.

The introductory section, graphic presentations and statistical data were not audited by us, and accordingly, we do not express an opinion on them.



GENERAL PURPOSE FINANCIAL STATEMENTS

These financial statements provide a summary overview of the financial position of all funds and account groups and of the operating results of all funds.

STATE OF COLORADO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1987
(Expressed in Thousands)

	GOVERNMENTAL FUND TYPES			
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
ASSETS:				
Cash and Short-term Investments	$3,484	$153,283	$9,457	$147,362
Investments	1,034	0	0	0
Taxes Receivable, net	357,554	40,642	0	0
Other Receivables, net	44,576	2,976	44	815
Due From Other Governments	127,651	41,547	0	2,106
Due From Other Funds	7,119	1,167	0	16
Inventories	51,972	18,050	0	0
Other Current Assets	4,651	715	267	0
Property, Plant and Equipment, net	0	0	0	0
Other Long-term Assets	0	0	0	42,034
Amount Available in Debt Service Fund	0	0	0	0
Amount to be Provided for Retirement of Long-term Obligations	0	0	0	0
TOTAL ASSETS	$598,041	$258,380	$9,768	$192,333
LIABILITIES:				
Liability to Pooled Cash	$84,447	$0	$0	$0
Tax Refunds Payable	133,206	0	0	0
Accounts Payable and Accruals	110,919	59,702	1,482	5,021
Due to Other Governments	23,299	22,221	0	0
Due to Other Funds	6,636	5,519	0	1,213
Deferred Revenue	107,897	11,281	0	3,034
Unpaid Insurance Losses	0	0	0	0
Capital Lease Obligations	0	0	0	0
Notes and Bonds Payable	0	0	0	0
Accrued Compensated Absences	0	0	0	0
Other Liabilities	0	0	0	0
TOTAL LIABILITIES	466,404	98,723	1,482	9,268
FUND EQUITY:				
Investment in Fixed Assets	0	0	0	0
Contributed Capital	0	0	0	0
Unreserved Retained Earnings	0	0	0	0
Fund Balances:				
Reserved for:				
Inventories	5,445	18,050	0	0
Continuing Appropriations	4,426	0	0	48,770
Other Specific Purposes	76,625	141,607	8,286	132,198
Unreserved:				
Designated for Capital Construction	0	0	0	2,097
Designated for Higher Education	0	0	0	0
Undesignated	45,141	0	0	0
TOTAL FUND EQUITY	131,637	159,657	8,286	183,065
TOTAL LIABILITIES AND FUND EQUITY	$598,041	$258,380	$9,768	$192,333

See accompanying notes to financial statements.

PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES	ACCOUNT GROUPS			
ENTERPRISE	INTERNAL SERVICE	TRUST & AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	COLLEGE AND UNIVERSITY FUNDS	TOTALS *Memorandum Only*
$174,454	$117	$288,512	$0	$0	$204,657	$981,326
370,109	0	148,338	0	0	62,617	582,098
0	0	91,498	0	0	0	489,694
59,860	1	4,156	0	0	120,159	232,587
9,587	6	6,838	0	0	4,811	192,546
2,611	3,989	6,233	0	0	14,427	35,562
4,320	1,161	3	0	0	22,009	97,515
475	41	140	0	0	6,435	12,724
16,116	64,684	10,361	592,071	0	1,261,679	1,944,911
23	0	4,729	0	0	718	47,504
0	0	0	0	8,286	0	8,286
0	0	0	0	193,127	0	193,127
$637,555	$69,999	$560,808	$592,071	$201,413	$1,697,512	$4,817,880
$266	$3,966	$0	$0	$0	$0	$88,679
0	0	0	0	0	0	133,206
27,826	1,396	12,912	0	0	63,034	282,292
5,601	0	42,642	0	0	0	93,763
581	5	5,853	0	0	15,755	35,562
20,155	367	3,737	0	0	30,122	176,593
395,651	1,863	0	0	0	0	397,514
0	1,464	0	0	62,954	101,058	165,476
503	0	0	0	0	122,315	122,818
1,973	129	10	0	51,704	30,707	84,523
40,227	0	140,575	0	86,755	0	267,557
492,783	9,190	205,729	0	201,413	362,991	1,847,983
0	0	0	592,071	0	1,060,256	1,652,327
11,904	40,461	0	0	0	0	52,365
132,868	20,348	0	0	0	0	153,216
0	0	0	0	0	0	23,495
0	0	0	0	0	0	53,196
0	0	355,079	0	0	201,643	915,438
0	0	0	0	0	0	2,097
0	0	0	0	0	72,622	72,622
0	0	0	0	0	0	45,141
144,772	60,809	355,079	592,071	0	1,334,521	2,969,897
$637,555	$69,999	$560,808	$592,071	$201,413	$1,697,512	$4,817,880

STATE OF COLORADO
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 1987
(Expressed in Thousands)

	GOVERNMENTAL FUND TYPES			
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
REVENUES:				
Taxes	$2,143,377	$315,551	$0	$998
Licenses, Permits, and Fines	36,899	99,835	0	3,360
Charges for Goods and Services	41,833	886	0	771
Interest and Rents	46,453	3,002	596	11,335
Federal Grants and Contracts	795,312	228,690	0	9,783
Other	37,404	40,396	19	1,416
TOTAL REVENUES	3,101,278	688,360	615	27,663
EXPENDITURES:				
Current:				
General Government	139,573	2,002	0	0
Business, Community and Consumer Affairs	108,783	8,558	0	0
Education	41,886	0	0	0
Health and Rehabilitation	232,297	0	0	0
Justice	202,544	28,611	0	0
Natural Resources	30,959	34,913	0	0
Social Assistance	572,768	0	0	0
Transportation	0	406,342	0	0
Capital Outlay	20,036	27,086	0	71,174
Intergovernmental	1,319,305	141,072	0	2,020
Debt Service	0	0	2,858	0
TOTALS EXPENDITURES	2,668,151	648,584	2,858	73,194
Excess of Revenues Over (Under) Expenditures	433,127	39,776	(2,243)	(45,531)
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	82,644	44,470	2,404	70,568
Operating Transfers Out	(473,072)	(44,996)	(307)	(13,574)
Other	1,142	0	4,719	31,301
TOTAL OTHER FINANCING SOURCES (USES)	(389,286)	(526)	6,816	88,295
Excess of Revenues and Other Sources (Uses) Over (Under) Expenditures	43,841	39,250	4,573	42,764
FUND BALANCE, JULY 1	89,046	120,407	3,713	140,301
Residual Equity Transfers	(1,250)	0	0	0
FUND BALANCE, JUNE 30	$131,637	$159,657	$8,286	$183,065

See accompanying notes to financial statements.

FIDUCIARY FUND TYPE	TOTALS
EXPENDABLE TRUST	*Memorandum Only*
$207,413	$2,667,339
5,972	146,066
13,095	56,585
21,411	82,797
9,521	1,043,306
11,308	90,543
268,720	4,086,636
13,783	155,358
121	117,462
239	42,125
1,050	233,347
8,323	239,478
939	66,811
247,960	820,728
0	406,342
390	118,686
1	1,462,398
0	2,858
272,806	3,665,593
(4,086)	421,043
8,399	208,485
(26,616)	(558,565)
0	37,162
(18,217)	(312,918)
(22,303)	108,125
198,622	552,089
1,250	0
$177,569	$660,214

STATE OF COLORADO
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ALL ANNUALLY BUDGETED GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 1987
(Expressed in Thousands)

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
REVENUES:			
Sales, Use and Excise Taxes	$899,400	$811,231	($88,169)
Income Taxes:			
Individual	1,376,000	1,320,088	(55,912)
Corporate	180,700	159,221	(21,479)
Less: Refunds	(314,200)	(260,631)	53,569
Net Income Taxes	1,242,500	1,218,678	(23,822)
Inheritance and Gift Taxes	13,500	18,433	4,933
Other Taxes	82,500	93,131	10,631
Licenses, Permits, and Fines	7,642	7,564	(78)
Interest and Rent	21,000	10,868	(10,132)
Other	18,358	18,169	(189)
Total General Revenues	2,284,900	2,178,074	(106,826)
Federal and Cash Funding Sources	1,258,153	1,146,553	(111,600)
TOTAL GROSS REVENUES & TRANSFERS	3,543,053	3,324,627	(218,426)
Less: Intrafund Revenues		(140,705)	
Interfund Revenues		(82,644)	
NET REVENUES		3,101,278	
EXPENDITURES:			
Administration	30,716	29,278	1,437
Agriculture	12,771	10,940	1,830
Corrections	65,137	64,160	977
Education	991,155	973,827	17,328
Health	100,024	95,972	4,052
Higher Education	432,849	429,537	3,312
Institutions	191,747	188,596	3,151
Judicial Branch	84,987	84,415	572
Labor and Employment	61,300	54,541	6,759
Law	15,449	14,456	993
Legislative Branch	16,204	14,091	2,112
Local Affairs	100,653	58,928	41,725
Military Affairs	3,209	2,922	288
Natural Resources	37,604	34,749	2,855
Office of Governor	43,065	31,689	11,376
Personnel	3,320	3,197	123
Public Safety	30,511	23,627	6,885
Regulatory Agencies	61,641	38,207	23,434
Revenue	56,855	55,215	1,639
Secretary of State	4,241	4,165	77
Social Services	868,043	890,548	(22,505)
Treasury	2,216	2,183	33
Other	57,365	57,055	310
Total Appropriated Expenditures & Transfers	3,271,061	3,162,298	108,763

SPECIAL REVENUE FUNDS			TOTALS (Memorandum Only)		
BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
$0	$0	$0	$899,400	$811,231	($88,169)
0	0	0	1,376,000	1,320,088	(55,912)
0	0	0	180,700	159,221	(21,479)
0	0	0	(314,200)	(260,631)	53,569
0	0	0	1,242,500	1,218,678	(23,822)
0	0	0	13,500	18,433	4,933
0	0	0	82,500	93,131	10,631
0	0	0	7,642	7,564	(78)
0	0	0	21,000	10,868	(10,132)
0	0	0	18,358	18,169	(189)
0	0	0	2,284,900	2,178,074	(106,826)
50,268	44,579	(5,689)	1,308,421	1,191,132	(117,289)
50,268	44,579	(5,689)	3,593,321	3,369,206	(224,115)
	0			(140,705)	
	(3,399)			(86,043)	
	41,180			3,142,458	
0	0	0	30,716	29,278	1,437
0	0	0	12,771	10,940	1,830
0	0	0	65,137	64,160	977
0	0	0	991,155	973,827	17,328
0	0	0	100,024	95,972	4,052
0	0	0	432,849	429,537	3,312
0	0	0	191,747	188,596	3,151
0	0	0	84,987	84,415	572
9,745	8,559	1,186	71,045	63,100	7,945
0	0	0	15,449	14,456	993
0	0	0	16,204	14,091	2,112
0	0	0	100,653	58,928	41,725
0	0	0	3,209	2,922	288
40,523	39,873	650	78,127	74,622	3,505
0	0	0	43,065	31,689	11,376
0	0	0	3,320	3,197	123
0	0	0	30,511	23,627	6,885
0	0	0	61,641	38,207	23,434
0	0	0	56,855	55,215	1,639
0	0	0	4,241	4,165	77
0	0	0	868,043	890,548	(22,505)
0	0	0	2,216	2,183	33
0	0	0	57,365	57,055	310
50,268	48,432	1,836	3,321,329	3,210,729	110,600

(Continued...)

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
Expenditures Provided by Law Rather Than by Appropriation		119,736	
Currently Recognized Future Capital Lease Payments		1,144	
TOTAL GROSS EXPENDITURES & TRANSFERS		3,283,178	
Less: Intrafund Expenditures		(140,705)	
Interfund Expenditures		(474,322)	
NET EXPENDITURES		2,668,151	
Excess of Revenues Over (Under) Expenditures		433,127	
OTHER FINANCING SOURCES (USES)		(389,286)	
Excess of Revenues and Other Sources (Uses) Over (Under) Expenditures		43,841	
FUND BALANCES, JULY 1		89,046	
Residual Equity Transfers		(1,250)	
FUND BALANCES, JUNE 30		$131,637	

See accompanying notes to financial statements.

SPECIAL REVENUE FUNDS			TOTALS (Memorandum Only)		
BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
0	0	0		119,736	
0	0	0		1,144	
50,268	48,432	1,836		3,331,609	
	0			(140,705)	
	(3,469)			(477,791)	
	44,963			2,713,113	
	(3,783)			429,345	
	(70)			(389,356)	
	(3,853)			39,989	
	12,895			101,941	
	0			(1,250)	
	$9,042			$140,680	

STATE OF COLORADO

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY
ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 1987
(Expressed in Thousands)

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE	TOTALS
	Enterprise	Internal Service	Nonexpendable Trust	*Memo Only*
OPERATING REVENUES:				
Charges for Goods & Services	$314,485	$34,375	$0	$348,860
Interest & Rents	38,956	2,000	10,877	51,833
Federal Grants & Contracts	18,364	1	0	18,365
Other	4,528	2,101	0	6,629
TOTAL OPERATING REVENUES	376,333	38,477	10,877	425,687
OPERATING EXPENSES:				
Salaries & Fringe Benefits	30,456	10,039	0	40,495
Operating	27,883	16,076	126	44,085
Depreciation	1,182	5,827	0	7,009
Travel	360	21	0	381
Grants to Organizations & Individuals	219,773	0	0	219,773
Prizes	54,413	0	0	54,413
Other	17,353	1,804	616	19,773
TOTAL OPERATING EXPENSES	351,420	33,767	742	385,929
Income (Loss) Before Operating Transfers	24,913	4,710	10,135	39,758
OPERATING TRANSFERS:				
Operating Transfers In	1,544	570	0	2,114
Operating Transfers Out	(33,302)	(1,600)	(1,135)	(36,037)
Net Income/Change in Retained Earnings	(6,845)	3,680	9,000	5,835
FUND EQUITY, JULY 1	151,617	57,129	168,510	377,256
FUND EQUITY, JUNE 30	$144,772	$60,809	$177,510	$383,091

See accompanying notes to financial statements.

STATE OF COLORADO
COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION
PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 1987
(Expressed in Thousands)

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE	TOTALS
	Enterprise	Internal Service	Nonexpendable Trust	*Memo Only*
SOURCES OF WORKING CAPITAL:				
Operations:				
Net Income	($6,845)	$3,680	$9,000	$5,835
Item Not Requiring Working Capital:				
Depreciation	1,182	5,827	0	7,009
Working Capital Provided by Operations	(5,663)	9,507	9,000	12,844
Net Decrease In:				
Property, Plant and Equipment	0	0	67	67
Other Long-Term Assets	0	0	502	502
Net Increase In:				
Unpaid Insurance Losses	47,110	1,004	0	48,114
Capital Lease Obligations	0	70	0	70
Accrued Compensated Absences	473	13	0	486
Other Long-Term Liabilities	5,790	0	0	5,790
Equity Transfer In	3,869	0	0	3,869
TOTAL SOURCES OF WORKING CAPITAL	51,579	10,594	9,569	71,742
USES OF WORKING CAPITAL:				
Net Increase In:				
Property, Plant and Equipment	4,895	14,844	0	19,739
Net Decrease In:				
Capital Lease Obligations	0	314	0	314
Notes and Bonds Payable	162	0	0	162
TOTAL USES OF WORKING CAPITAL	5,057	15,158	0	20,215
NET INCREASE (DECREASE) IN WORKING CAPITAL	$46,522	($4,564)	$9,569	$51,527
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:				
Cash	($86,890)	($15)	($13,041)	(99,946)
Investments	133,511	0	22,538	156,049
Receivables, net	591	(5)	0	586
Due From Other Governments	5,743	(20)	66	5,789
Due From Other Funds	2,249	(2,881)	0	(632)
Inventories	(62)	(143)	0	(205)
Other Current Assets	248	(6)	0	242
Cash Overdraft	(145)	(2,113)	0	(2,258)
Accounts Payable and Accrued Liabilities	(8,852)	717	0	(8,135)
Due to Other Governments	0	4	0	4
Due to Other Funds	2,121	11	0	2,132
Deferred Revenue	(1,992)	(113)	6	(2,099)
NET INCREASE (DECREASE) IN WORKING CAPITAL	$46,522	($4,564)	$9,569	$51,527

See accompanying notes to financial statements.

STATE OF COLORADO
COMBINED BALANCE SHEET
ALL COLLEGE AND UNIVERSITY FUNDS
JUNE 30, 1987
(Expressed in Thousands)

	CURRENT FUNDS	
	UNRESTRICTED	RESTRICTED
ASSETS:		
Cash and Cash Equivalents	$94,616	$10,469
Investments	12,523	4,884
Accounts Receivable:		
Tuition, Fees, and Charges for Services, net	43,612	10,505
Intergovernmental	18	4,759
Unbilled Charges	246	5,516
Other	1,960	260
Total Accounts Receivable	45,836	21,040
Loans and Notes Receivable, net	2,158	67
Due From Other Funds	8,379	2,899
Inventories	21,924	85
Other Current Assets	6,297	84
Plant Facilities:		
Land	0	0
Buildings and Improvements	0	0
Construction in Progress	0	0
Machinery and Equipment	0	0
Library Books	0	0
Other Long-Term Assets	0	0
TOTAL ASSETS	$191,733	$39,528
LIABILITIES:		
Accounts Payable	$17,136	$2,370
Accrued Liabilities	31,188	6,845
Due to Other Funds	11,101	861
Deferred Credits	29,143	813
Capital Lease Obligations	0	0
Revenue Bonds and Other Notes Payable	89	0
Accrued Compensated Absences	30,454	103
TOTAL LIABILITIES	119,111	10,992
FUND BALANCES:		
Investment in Fixed Assets	0	0
Reserved	0	28,536
Unreserved	72,622	0
TOTAL FUND BALANCES	72,622	28,536
TOTAL LIABILITIES AND FUND BALANCES	$191,733	$39,528

See accompanying notes to financial statements.

LOAN FUNDS	ENDOWMENT FUNDS	PLANT FUNDS			TOTALS *Memorandum Only*
		UNEXPENDED	RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT	
$6,495	$6,193	$72,958	$13,926	$0	$204,657
0	16,522	19,606	9,082	0	62,617
1,768	1,009	739	126	0	57,759
30	0	0	4	0	4,811
0	0	0	5	0	5,767
297	36	475	186	0	3,214
2,095	1,045	1,214	321	0	71,551
51,154	28	12	0	0	53,419
0	1,096	1,809	244	0	14,427
0	0	0	0	0	22,009
32	1	0	0	21	6,435
0	2,180	0	0	24,890	27,070
0	0	0	0	726,171	726,171
0	0	74,795	0	0	74,795
0	0	0	0	332,095	332,095
0	0	0	0	101,548	101,548
0	0	172	0	546	718
$59,776	$27,065	$170,566	$23,573	$1,185,271	$1,697,512
$15	$0	$1,899	$9	$0	$21,429
17	62	729	2,764	0	41,605
17	2	342	0	3,432	15,755
0	30	0	136	0	30,122
0	0	78,785	0	22,273	101,058
0	0	22,916	0	99,310	122,315
150	0	0	0	0	30,707
199	94	104,671	2,909	125,015	362,991
0	0	0	0	1,060,256	1,060,256
59,577	26,971	65,895	20,664	0	201,643
0	0	0	0	0	72,622
59,577	26,971	65,895	20,664	1,060,256	1,334,521
$59,776	$27,065	$170,566	$23,573	$1,185,271	$1,697,512

STATE OF COLORADO
COMBINED STATEMENT OF CHANGES IN FUND BALANCES
ALL COLLEGE AND UNIVERSITY FUNDS
FOR THE YEAR ENDED JUNE 30, 1987
(Expressed in Thousands)

	CURRENT FUNDS	
	UNRESTRICTED	RESTRICTED
REVENUES AND OTHER ADDITIONS:		
Tuition and Fees	$277,561	$16
Federal Grants and Contracts	3,677	183,903
State & Local Grants and Contracts	935	17,779
Private Gifts, Grants, and Contracts	1,611	49,861
Investment Income	11,020	1,100
Sales & Services of Educational Activities	48,088	28
Sales & Services of Auxiliaries and Hospitals	207,517	0
Realized Gain (Loss) on Investments	0	0
Interest on Loans Receivable	0	0
Retirement of Indebtedness	0	0
Other	11,693	463
TOTAL REVENUES AND OTHER ADDITIONS	562,102	253,150
EXPENDITURES AND OTHER DEDUCTIONS:		
Educational and General:		
Instruction	308,383	45,420
Research	19,046	120,350
Public Service	25,704	11,407
Academic Support	66,525	7,150
Student Services	61,031	6,630
Institutional Support	86,556	4,759
Operation of Plant	64,854	315
Scholarships and Fellowships	4,863	54,720
TOTAL EDUCATIONAL AND GENERAL	636,962	250,751
Auxiliaries and Hospitals	237,718	742
Loan Cancellation and Write-off	0	0
Expended for Plant Facilities	0	0
Retirement of Indebtedness	0	0
Interest on Indebtedness	0	0
Disposal of Plant Facilities	0	0
Other	0	23,394
TOTAL EXPENDITURES AND OTHER DEDUCTIONS	874,680	274,887
TRANSFERS BETWEEN FUNDS - (ADDITIONS)/DEDUCTIONS:		
Mandatory Transfers	13,861	(771)
Nonmandatory Transfers	17,915	1,561
Operating Transfers from State Funds	(349,655)	(24,260)
TOTAL EXPENDITURES, DEDUCTIONS & TRANSFERS	556,801	251,417
Net Increase (Decrease) in Fund Balances	5,301	1,733
FUND BALANCE, JULY 1	67,321	26,803
FUND BALANCE, JUNE 30	$72,622	$28,536

See accompanying notes to financial statements.

LOAN FUNDS	ENDOWMENT FUNDS	PLANT FUNDS			TOTALS *Memorandum* Only
		UNEXPENDED	RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT	
$0	$0	$1,757	$1,613	$0	$280,947
1,105	0	1,037	168	0	189,890
0	0	0	0	0	18,714
66	359	1,782	0	1,607	55,286
229	914	5,006	1,828	0	20,097
0	0	0	0	0	48,116
0	0	0	0	0	207,517
30	1,993	(2,157)	177	(3,615)	(3,572)
1,515	0	0	0	0	1,515
0	0	3,193	0	7,027	10,220
394	239	20,737	20,398	87,412	141,336
3,339	3,505	31,355	24,184	92,431	970,066
0	0	0	0	0	353,803
0	0	0	0	0	139,396
0	0	0	0	0	37,111
0	0	0	0	0	73,675
364	396	0	3	0	68,424
0	0	0	0	0	91,315
0	0	0	0	0	65,169
0	0	0	0	0	59,583
364	396	0	3	0	888,476
0	0	0	0	0	238,460
1,341	0	0	0	0	1,341
0	0	43,999	0	0	43,999
0	0	2,693	8,449	0	11,142
0	0	351	12,703	0	13,054
0	0	0	0	17,218	17,218
886	118	1,627	20,732	17,745	64,502
2,591	514	48,670	41,887	34,963	1,278,192
(106)	0	582	(13,566)	0	0
(327)	(300)	(18,671)	(178)	0	0
0	0	(9,942)	(146)	0	(384,003)
2,158	214	20,639	27,997	34,963	894,189
1,181	3,291	10,716	(3,813)	57,468	75,877
58,396	23,680	55,179	24,477	1,002,788	1,258,644
$59,577	$26,971	$65,895	$20,664	$1,060,256	$1,334,521

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the State of Colorado conform to generally accepted accounting principles applicable to governmental units.

A. REPORTING ENTITY

The Governmental Accounting Standards Board, in its codification of governmental accounting and financial reporting standards, has established criteria for determining the activities, organizations, and functions of government to be included in the financial statements of the reporting entity. The basic criterion of inclusion in the financial statements is the exercise of oversight responsibility by the State.

The extent of oversight responsibility was evaluated based upon several specific criteria including: selection of governing authority and designation of management; the ability of the State to significantly influence operations; accountability for fiscal matters, including the level of State financing and/or moral or legal responsibility for the long-term debt of the organizations; and materiality of the organization to State operations.

Based on the evaluation of these control or dependency factors, the State has excluded the following entities from this report along with the State college and university foundations.

Colorado Housing Finance Authority

C.H.F.A. was created by the legislature in 1973 to help alleviate the high cost of construction and mortgage loans. It is authorized to raise funds through the sale of bonds and notes and then lend the proceeds to eligible borrowers through private lending institutions. The repayment of the loans is used to retire the bonds and notes which are not obligations of the State of Colorado. Its governing board consists of 9 members which includes the State Auditor, 7 members appointed by the Governor, and 1 member appointed jointly by the Speaker of the House and the Senate Majority Leader. However, management of the authority is appointed by the board and the State does not significantly influence its operations. It is required to report annually to the Governor and the General Assembly. Total liabilities of this authority at December 31, 1986 were $1,152.9 million with $119.6 million disbursed for housing loans during the fiscal year ended on that date.

Colorado Student Obligation Bonding Authority

C.S,O.B.A. is a political subdivision created in 1979 to help finance student loans, both in the secondary market and as a direct lender. Its governing board is appointed by the Governor with the consent of the Senate, but its management is selected by the board. Annual reports are filed with the Governor and State Auditor. At Septem-

ber 30, 1986 the authority had bonds payable of $300.4 million which were not deemed to constitute an indebtedness or liability of the State. During the 1986 fiscal year the authority purchased $29.1 million insured student loans.

Public Employees Retirement Association

The Public Employees' Retirement Association was established for the purpose of providing present and future retirement, disability, or survivor benefits for state, school and municipal employees. It is financed by employee and employer contributions. It is not, however, an agency of state government, nor is it subject to administrative direction by any department, commission, board, bureau or agency of the State. Total assets of the association at December 31, 1986 were $6,834.4 million and total investment income and employer and employee contributions for calendar year 1986 were $829.1 million and $471.8 million respectively.

Colorado Postsecondary Educational Facilities Authority

This authority was established in 1981 by an act of the General Assembly to provide alternative financing methods by which institutions of postsecondary education in Colorado can refund or refinance outstanding indebtedness and finance additional facilities and other capital expenditures. Its 7 member governing board is appointed by the Governor with the consent of the Senate and has complete authority to appoint its operational management. Financing is obtained by issuance of tax-exempt revenue bonds and notes or other obligations which do not constitute a debt of the State. The authority files annual reports with the Governor and State Auditor. At September 30, 1986 the authority reported bonds and notes payable of $65.6 million.

Colorado Health Facilities Authority

This authority was created in 1977 to provide alternative financing methods by which non-profit hospitals and health institutions in Colorado can refund or refinance outstanding indebtedness and finance additional facilities and other capital expenditures. Financing is obtained by issuance of tax-exempt revenue bonds and notes or other obligations which do not constitute a debt of the State. Its 7 member governing board, which designates its own management, is appointed by the Governor with the consent of the Senate. Annual reports are filed with the Governor and State Auditor. At September 30, 1986 the authority reported revenue bonds and notes payable totaling $671.1 million.

Colorado Water Resources and Power Development Authority

This authority was created in 1981 to acquire, construct, maintain, repair and operate or cause to operate projects for the protection, preservation, conservation, upgrading, development and utilization of Colorado's water resources. Financing is obtained by issuance of tax-exempt bonds and notes or other obligations which do not constitute a debt of the State. Its 9 member governing board is appointed by the Governor with the consent of the Senate. Management of the authority is the responsibility of the board. Annual reports

are prepared for the Governor and General Assembly. At December 31, 1986 assets and liabilities totaled $56.7 million and $8.3 million respectively.

Colorado Agricultural Development Authority

This authority, which was created in 1981 by an act of the General Assembly, provides low interest financing to farmers, ranchers, and agricultural processors for capital expenditures necessary for agricultural production. This is accomplished by issuance of tax-exempt bonds and notes and other obligations which do not legally constitute a debt of the State. Of its 7 member governing board, 1 is appointed by the Governor with the consent of the Senate, 3 are appointed by the Speaker of the House, and 3 are appointed by the Senate President. Annual reports are submitted to the Governor and State Auditor. During 1986 the authority issued $945 thousand in bonds to assist six agricultural borrowers. To date, the authority has issued $15.5 million in bonds.

B. FUND STRUCTURE AND BASIS OF ACCOUNTING

The financial activities of the State are organized on the basis of individual funds and account groups. The operations of each fund, which are separate accounting entities, are recorded in discrete sets of self-balancing accounts that comprise the assets, liabilities, fund equity, revenues and expenditures or expenses of that entity. For financial statement presentation, similar funds have been combined into fund types and categories.

GOVERNMENTAL FUND TYPES

General Fund:

Transactions related to resources obtained and used for those services traditionally provided by a state government, which are not accounted for in other funds are accounted for in the General Fund. Resources obtained from federal grants which support general governmental activities are accounted for in the General Fund consistent with applicable legal requirements.

Special Revenue Funds:

Transactions related to resources obtained from specific sources, which are restricted to specific purposes are accounted for in the special revenue funds. The individual funds include the Highway Fund, Wildlife Fund, and the Labor Fund.

Debt Service Fund:

This fund is used to account for the accumulation of resources for, and the payment of interest and principal for certain long-term lease purchase agreements which are recorded in the Long-Term Debt Group of Accounts.

Capital Projects Funds:

Transactions related to resources obtained and used for acquisition, construction, or improvement of State owned facilities other than those financed by college and university fund types are accounted for in the capital projects funds. Construction projects which are provided to political subdivisions or other organizations are also recorded in these funds. The Capital Construction Fund accounts for projects that have been appropriated by the Legislature and are financed from operating transfers from the general fund, lottery fund and federal grants. The revenues for the non-appropriated Special Capital Construction fund are largely from private grants and donations as well as federal grants.

PROPRIETARY FUND TYPES

Enterprise Funds:

Enterprise funds account for operations where it is the intent of the State that the functions be self-sustaining while providing goods or services to the general public.

Internal Service Fund:

Internal Service funds account for the operation of state agencies which provide services and commodities to other state agencies on a cost reimbursement basis.

FIDUCIARY FUND TYPES

Trust and Agency Funds:

These funds are similar in nature, with the State being custodian of monies received, and therefore are combined and reported as a group.

Expendable Trust funds account for assets held by the State in a trustee capacity where income as well as principal may be expended for designated operations.

Nonexpendable Trust funds account for assets held by the State in a trustee capacity where only income earned on the principal may be expended for designated operations. The principal must remain intact.

Agency funds are strictly custodial in nature with the State acting as an agent to maintain and distribute the funds to other governmental units or designated beneficiaries.

COLLEGE AND UNIVERSITY FUNDS

Transactions related to the financial activities of the State's higher education institutions and the University of Colorado Health Sciences Center are accounted for in the College and University Funds. The financial statements for these funds have been prepared in accordance with the AICPA "Industry Audit Guide - Audits of Colleges and Universities" and accordingly, are presented in a separate column in the combined balance sheet along with a separate

combined balance sheet and a statement of changes in fund balances for all College and University funds.

ACCOUNT GROUPS

General Fixed Asset Group of Accounts

Fixed assets used in Governmental fund type operations such as land, buildings, other improvements, and equipment are accounted for in the General Fixed Assets Account Group rather than in governmental funds. Generally all items having a cost in excess of $500 and an estimated useful life of two years or more are capitalized. Fixed assets utilized in enterprise, internal service, and trust and agency fund operations are recorded in those funds and depreciation of those assets is charged as an expense of operation in those funds.

Infrastructure assets, consisting principally of highways, roads, and bridges are not recorded as general fixed assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated. Depreciation has not been recorded for general fixed assets.

General Long-Term Debt Group of Accounts

Unmatured long-term lease-purchase obligations and accrued leave costs related to Governmental fund activities are recorded in the General Long-Term Debt Group of Accounts. Also included are other long-term liabilities related to the Labor Fund and tax refunds payable which are further explained in note III-E.

BASIS OF ACCOUNTING

Governmental Funds , Expendable Trust, and Agency Funds

All Governmental fund types, the Expendable Trust funds and the Agency funds are reported using the modified accrual basis of accounting. The modified accrual basis recognizes revenues when they are measurable and available to finance operations during the year or to liquidate liabilities which exist at the end of the fiscal year; expenditures and liabilities are recognized upon receipt of goods or services.

Excise taxes such as sales, liquor, cigarette, and use taxes are accrued based on filing received and filings due for filing periods on or before June 30, 1987. Accruals and estimated are based on reliable historical data modified for economic trends and include a reasonable allowance for uncollectible amounts. Amounts expected to be collected after twelve months are recorded as deferred revenue.

Income taxes from individuals, corporations, and trusts are accrued based on current income earned by taxpayers prior to June 30, 1987. Income earned and taxes due on income are estimated through the use of quarterly filings, withholding statements, and historical data modified for current economic trends. Accrued tax revenue is reduced

for amounts estimated to be uncollectible. Amounts expected to be collected after twelve months are recorded as deferred revenue.

Revenues earned under the terms of agreements with outside sources (e.g. contracts and grants from the federal government or private sources) are recorded at the time the expenditures are made.

Expenditures are recorded at the time liabilities are incurred except that interest on long-term debt is recorded when due and accumulated unpaid vacation and sick pay are recorded when paid.

Encumbrance accounting is used during the year for budgetary control purposes. Encumbrances outstanding at year-end are charged against the subsequent year's operating budget when liquidated unless funds were allowed to roll-forward into the subsequent period (see note III-G).

Long-term investments of Governmental funds are reported on their balance sheets in spite of their spending measurement focus. Special reporting treatment is used to indicate that they do not represent net current assets. Long-term investments are offset by fund balance reserve accounts.

Special reporting treatment is also applied to Governmental fund inventories to indicate that they do not represent "available spendable resources" even though they are a component of net current assets. Such amounts are offset by a fund balance reserve. The exception to this is the treatment of the $46.5 million food stamp and donated food commodity inventories which have been offset by deferred revenue and for which no fund balance was reserved. This is consistent with the accounting for other pass-through federal grants.

Proprietary Fund Types and Nonexpendable Trust Funds

The Proprietary funds and the Nonexpendable Trust funds are reported using the accrual basis of accounting. Under such a basis, revenues are recognized when earned and expenses, including depreciation, are recognized when incurred. Depreciation has been recorded, when appropriate, over the estimated useful lives of the assets using the straight-line method. The estimated useful lives are as follows:

Buildings - 25 to 40 years
Improvements - 10 to 17 years
Equipment - 5 to 12 years

College and University Funds

The accounts of the University and College funds are reported using the accrual basis of accounting except that depreciation expense related to plant fund assets is generally not recorded and revenues and expenditures related to summer school programs are reported in the subsequent fiscal year in which the programs are predominantly conducted.

C. BUDGETS AND BUDGETARY ACCOUNTING

The financial operations of the three branches of government are controlled by the annual appropriation made by the State Legislature. This annual

appropriation is limited to the unrestricted funds held at the beginning of the year plus the revenues estimated to be generated during the year as determined on a modified accrual basis. The appropriation controls the expenses of the State at the agency level, predominantly by category of expense or program. Appropriation may be adjusted in the following session of the legislature by means of a supplemental appropriation. Supplemental appropriation legislation was passed during the reported year. An unexpended appropriation lapses at the end of a fiscal year unless executive action is taken to roll forward a specific unexpended appropriation into the next year. Appropriations which meet the strict criteria for roll-forward are reserved at year-end.

Budget to actual comparisons are presented in the financial statements for governmental funds that are appropriated on an annual basis; these include the General Fund, and the Wildlife and Labor Funds which are part of the Special Revenue Funds. Because of the multi-year nature of most highway construction projects, the Highway Fund is excluded from the Special Revenue funds on the Budget and Actual comparison statement. Similarly, Capital Projects Funds are budgeted on a multi-year basis and no budget to actual comparison is shown. Budgeted revenues and expenditures are reported on the modified accrual basis but do include operating transfers for budgetary comparisons. Budgetary compliance is only shown to the department or agency level. Reports showing budgetary compliance to the general ledger account level are available from the State Controller's Office. State departments incurred the following overexpenditures in individual line items for the year ended June 30, 1987. In most cases, subsequent year appropriations have been restricted by the amount of overexpenditure.

DEPARTMENT/LINE ITEM	AMOUNT OVEREXPENDED
ADMINISTRATION	
Workmen's Compensation Insurance	$30,626
Employment Security Payments	174,353
AGRICULTURE	
Travel - Administration	$2,700
Brand Inspection	10,403
HEALTH	
Diesel Emissions Cash	$16,523
Radiation and Hazardous Waste Operating	1,044
Personal Care Boarding Homes	2,048
Strep Testing	5,273
Travel - Nursing Home Review	431
Travel - Implied Consent	259
NATURAL RESOURCES	
Executive Director - Leased Space	$4,875
Wildlife - Personal Services	24,063
REGULATORY AGENCIES	
Administration - Operating Expenses	$207
Banking - Operating	1,125
Banking - Workmen's Compensation Insurance	1
Civil Rights - Federal Contracts	92,828
Civil Rights - Hearings	531
Civil Rights - Operating	374
Director - Capital Outlay	8
Director - Operating	172
PUC - Nuclear Materials Revenue	31,412

DEPARTMENT/LINE ITEM	AMOUNT OVEREXPENDED
REGULATORY AGENCIES (cont.)	
Racing - Hearing Officers	125
Racing - Lab Analysis	3,770
Racing - Operating	1,898
Real Estate - Operating	935
Registrations - Director	37,783
Registrations - Optometric	7,043
Registrations - Passenger Tramway	18,704
Registrations - Plumbers	28,926
Registrations - Workmen's Compensation Ins.	147
Savings and Loan - Operating	1,264
Securities - Operating	1,152
REVENUE	
Executive Director - Operating	$9,398
Lease Purchase	2
Mobile Scales - Motor Vehicle	13,026
Mobile Scales - Operating	7,139
Motor Vehicle - Operating	14,550
Motor Vehicle - Travel	109
Operations - Personal Services	14,399
Port of Entry - Operating	23,431
Port of Entry - Travel	2,058
Tax - Operating	15,717
Tax Collection & Compliance - Operating	16,769
Tax Collection & Compliance - Travel	290
Tax Profile	4
Taxpayer Service - Operating	25,724
Taxpayer Service - Travel	409
Titles - Operating	7,166
Titles - Personal Services	23,680
Titles - Travel	1,961
SOCIAL SERVICES	
Aid to Needy - Special Needs	$158,305
Aid to Needy - State Home Care	19,182
Child Support System	25,784
Medicaid Fiscal Agent	1,273,354
Medicaid Medical Programs	37,003,981
Trinidad - Operating	37,306
TREASURY	
Travel	$91
CORRECTIONS	
Administration - Operating	$6,390
ADP Services	18,251
Parole Board - Travel	7,864
Penitentiary - Travel	334
Reformatory - Travel	6
PUBLIC SAFETY	
Workmen's Compensation Insurance	$10,000
CLETA - Operating	6,539
Applicant Print Processing	4,425
Laboratory Operating	4
Admin. Justice Computer Ctr. - Operating	388
Disaster Emergency Services - Operating	288
Criminal Justice - Operating	214
Criminal Justice - Travel	64

D. ELIMINATIONS

Substantially all the intrafund transactions and balances have been eliminated. Substantially all revenues from interfund transactions have been reclassified as operating transfers-in in the "Other Financing Sources (Uses)" section of the statements. Likewise, the interfund expenditures/expenses have been reflected as operating transfers-out.

E. TOTAL COLUMNS ON COMBINED STATEMENTS

Total columns on the Combined Statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

F. CASH AND SHORT-TERM INVESTMENTS

The State Treasury acts as a bank for all State agencies. Monies deposited in the Treasury are invested until the cash is needed. Interest earnings on these investments are credited to the General Fund unless a specific statute directs otherwise. The detailed composition of the cash and investments is shown in the annual Treasurer's Report. The State maintains numerous cash accounts for administrative purposes. The cash reflected on the balance sheet is the composite amount of all accounts although some of the individual accounts may be periodically overdrawn. Any deficit cash balances on a fund basis are shown in the liability section of the balance sheet as "Liability to Pooled Cash".

G. INVESTMENTS

These are long-term investments, generally stated at cost or amortized cost, which approximates market. Deferred compensation plan investments are carried at current market value in accordance with generally accepted practice.

H. SURETY BONDS

Surety bonds, performance bonds and other surety agreements totaling $313.9 million are held for safekeeping by the State Treasurer for the Division of Mined Land Reclamation, the Division of Motor Vehicles, State Compensation Insurance, the Industrial Commission, the Department of Health, the Department of Highways, and several other state agencies but are not included in the financial statements.

I. TAXES RECEIVABLE

The taxes receivable of $489.7 million results from recording of self-assessed taxes on the accrual basis. They are collected subsequent to June 30, but are considered earned as of that date. They are net of a $166.2 million allowance for doubtful accounts.

Tax refunds payable of $133.2 million recognize the refund liability relating to these self-assessed taxes.

J. OTHER RECEIVABLES

The receivables are net of a $118.2 million allowance for doubtful accounts.

K. INVENTORY

The State's inventories consist primarily of consumable items such as office supplies, institutional medical and linen inventories, repair and maintenance items, and vocational shop materials. Also included in the inventory is an immaterial amount of finished goods produced and held for resale by units such as the Department of Corrections.

Inventories are stated at the lower of cost or market utilizing a variety of methods (fifo, average, etc.), the method remaining consistent from year to year in each specific State agency. Material inventories are expensed when consumed, immaterial inventories when purchased.

L. LONG-TERM LOANS RECEIVABLE

The $42 million balance reported in the Special Capital Construction fund represents long-term loans made to local entities by the Water Conservation Board for the purpose of constructing water projects in Colorado. These are made for periods ranging from 10 to 40 years at interest rates of 2 to 4 percent. The entities make a yearly payment of principal and interest.

M. DEFERRED REVENUE

Summer school tuition revenues collected by institutions of higher education and associated expenditures at June 30, are deferred to the subsequent year.

Revenue collected (by agencies other than higher education) from the Federal government and other sponsors is recorded as deferred until such time as expenditures are made. State Compensation Insurance premiums are recognized as earned in the period of coverage.

N. FUND EQUITY

The fund balance of the General Fund is made up of reserved and unreserved amounts. Items are reserved as provided by statute or generally accepted accounting principles. The Old Age Pension Reserve (part of the Reserve for Other Specific Purposes) is an example of the former and the Reserve for Inventories is an example of the latter. Those amounts left unreserved represent that portion of General Fund equity (net assets less liabilities) available for future use as working capital or to be appropriated by the Legislature.

O. RESERVES

Reserves for the State of Colorado at June 30, 1987 consist of:

- Reserve for Inventories - These reserves were established to indicate that a portion of fund balance is represented by assets which are not available as spendable resources.

- Reserve for Continuing Appropriations - These reserves are used to segregate a portion of fund balance encumbered prior to the end of the fiscal year. Because of extenuating circumstances, agencies have been unable to expend their appropriation and executive action has been taken to roll forward a specific appropriation into the next year.

- Reserve for Other Specific Purposes - These reserves are used to indicate that a portion of fund balance is restricted as to the use of the assets represented. The restriction can be from the donor in the case of fiduciary funds, or reserved for special purposes such as for the payment of debt principal by debt service funds. It can also be restricted in accordance with statutory intent such as is the case with certain net receipts legally restricted for use by an agency.

  A summary of these other special purpose reserves by fund type at June 30, 1987 follows (expressed in thousands).

Reserved For	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Trust Funds
Old Age Pension	$5,000				
Hazardous Waste Site Clearance (Superfund)	3,457				
Public Employees Social Security System	1,340				
Severance Tax Fund	7,910				
Mineral Lease Funds	13,247				
State Public School Fund	1,044				
Oil Shale Trust Fund	1,884				
License, Assessment & Fee Adjustment	5,215				
Capital Construction	4,453			$90,164	
Long-term Loans Receivable				42,034	
Energy Conservation	24,981				
Elderly Property Tax Relief	1,047				
Highway Construction		$133,728			
Wildlife, Parks & Outdoor Recreation		7,369			
Medical Benefits for Injured Workers		510			
Debt Retirement			$8,286		
State Treasurer's Expendable Trusts					$23,198
Unemployment Benefits					138,935
Criminal Victims					3,665
State Land Board					299
State Employees Insurance					401
Public School Permanent Fund					164,126
Other Special Revenue Programs	7,037				24,455
	$76,625	$141,607	$8,286	$132,198	$355,079

P. RESTATED BEGINNING FUND BALANCES DUE TO ACCOUNTING CHANGES

The State Veteran Center at Homelake was previously reported in the General Fund. This year it has been correctly classified in the Enterprise Funds. Fixed assets for Homelake and the State Veterans Nursing Home at Rifle were previously reported in the Fixed Asset Account Group and are now also shown in the Enterprise Funds. The beginning fund equity of the Enterprise Funds has therefore been restated to include $3.7 million additional fund equity, $31 thousand of which came from the General Fund.

NOTE II. OTHER ACCOUNTING DISCLOSURES

A. CASH DEPOSITS AND INVESTMENTS

State agencies are authorized by various statutes to deposit funds in accounts outside the custody of the State Treasury. Legally authorized deposits and investments generally include demand deposits, certificates of deposit and obligations of or guaranteed by the United States Government.

Deposits

The State maintains accounts and certificates of deposits for various purposes at locations throughout the State. Cash balances not required for immediate use are deposited either through the investment pool administered by the State Treasurer or by the fund custodians. At June 30, 1987 the cash on hand or in transit totaled $9.5 million and deposits at financial institutions totaled $656.8 million.

Colorado statutes require protection of public moneys in banks beyond that protection provided by the federal insurance corporations. The Public Deposit Protection Act requires all eligible depositories holding public deposits to pledge designated eligible collateral having market value equal to at least 100% of the deposits exceeding those amounts not insured by federal insurance corporations.

The State's cash management policy is to invest all major revenues as soon as the moneys are available within the banking system. Electronic transfers are used by the State to enhance availability of funds for investment purposes.

Investments

The State holds investments both for its own benefit and as an agent for specified state agencies as allowed by law. Major investment programs are for the direct benefit of the State. Investments of funds not required for immediate payments are administered by the State Treasurer or the authorized agency custodian of the funds.

The following table presents both the carrying value and the market value at June 30, 1987 of the State's various investments. The carrying value is further categorized as follows: category "A" are those investments which are insured or registered and held by the State or the State's agent in the State's name; category "B" are those which are uninsured or unregistered and held by a counterparty in the State's name; and category "C" are investments uninsured or unregistered and not held in the State's name or any other investment which has not been identified as to the risk category. (Amounts expressed in thousands)

	Category			Carrying	Market
	A	B	C	Amount	Value
U.S. Government Securities	$542,124	$32,776	$366	$575,266	$576,331
Bank Acceptances	96,192	967	7	97,166	98,460
Commercial Paper	96,672	480	0	97,152	97,444
Corporate Securities	3,918	252	15,616	19,786	21,796
Repurchase Agreements	50,000	13,786	1,562	65,348	65,565
	$788,906	$48,261	$17,551	$854,718	$859,596
Deferred Compensation				42,929	42,929
				$897,647	$902,525

Colorado also has in its financial statements certain investments which cannot be categorized. The State Deferred Compensation Plan is a voluntary program for employees which allows the participants to choose investment options which best suits their individual financial objectives. The assets are held by the provider organizations in the State's name with subsidiary systems to maintain records of the individual participants investments.

The State also has authority to enter into reverse repurchase agreements. Interest costs associated with these transactions were $1 million for the fiscal year. No investments of this type existed at June 30, 1987.

B. FIXED ASSETS

A summary of fixed assets by fund type follows (expressed in thousands).

	General Fixed Assets Account Group	Enterprise Funds	Internal Service Funds	Trust & Agency Funds	College & University Funds	Totals
Land & Improvements	$123,473	$4,237	$0	$7,554	$67,837	$203,101
Buildings & Improvements	232,548	11,922	95	0	685,792	930,357
Equipment	137,740	9,447	97,795	2,807	435,544	683,333
Construction in Progress	98,310	1,411	0	0	74,795	174,516
Total	$592,071	$27,017	$97,890	$10,361	$1,263,968	$1,991,307
Less: Accumulated Depreciation	0	(10,901)	(33,206)	0	(2,289)	(46,396)
	$592,071	**$16,116**	**$64,684**	**$10,361**	**$1,261,679**	**$1,944,911**

A statement of changes in general fixed assets for the year ended June 30, 1987 is shown below (expressed in thousands).

	Land & Improvements	Buildings & Improvements	Equipment	Construction in Progress	Totals
Balance: July 1, 1986	$122,360	$224,069	$121,534	$49,552	$517,515
Additions	7,353	12,795	30,993	65,633	116,774
Deductions	6,240	4,316	14,787	16,875	42,218
Balance: June 30, 1987	**$123,473**	**$232,548**	**$137,740**	**$98,310**	**$592,071**

C. SEGMENT INFORMATION

The State maintains Enterprise funds with the principal activities being the lottery, insurance, worker's compensation, and the prison industry program. Segment information for the Enterprise funds of the State of Colorado for the year ended June 30, 1987 follows (expressed in thousands).

	Compensation Insurance	Correctional Industries	State Lottery	Guaranteed Student Loan	State Nursing Homes	Business Enterprise Program	Other Enterprise Activities	Totals
Operating Revenue	$221,828	$7,737	$113,063	$20,899	$7,486	$1,135	$4,185	$376,333
Depreciation	129	166	240	194	124	195	134	1,182
Operating Income (Loss)	(14,059)	883	36,838	1,906	(426)	28	(257)	24,913

	Compensation Insurance	Correctional Industries	State Lottery	Guaranteed Student Loan	State Nursing Homes	Business Enterprise Program	Other Enterprise Activities	Totals
Operating								
Transfers-In	0	901	0	0	643	0	0	1,544
Transfers-Out	3,946	0	29,356	0	0	0	0	33,302
Net Income (Loss)	($18,005)	$1,784	$7,482	$1,906	$217	$28	($257)	($6,845)
Net Increase in Property, Plant, and Equipment	(129)	297	56	(81)	3,747	(18)	(159)	3,713
Total Assets	542,724	8,120	51,978	22,646	6,797	1,147	4,143	637,555
Bonds & Other Long-Term Liabilities	436,740	404	249	197	690	27	47	438,354
Fund Equity	68,867	7,161	43,545	14,906	5,524	973	3,796	144,772

D. INTERFUND BALANCES

Individual fund interfund receivable and payable balances at June 30, 1987 are as follows (expressed in thousands).

Fund	Interfund Receivables	Interfund Payables
General Fund	$7,119	$6,636
Special Revenue Funds:		
Highway	1,167	5,515
Wildlife	0	4
Capital Projects Funds:		
Regular Capital Construction	16	1,135
Special Capital Construction	0	78
Enterprise Funds:		
Compensation Insurance	1,476	17
Correctional Industries	539	0
Lottery	0	5
Guaranteed Student Loan	458	458
State Nursing Homes	119	0
Other	19	101
Internal Service Funds:		
Administration	580	5
Highway	3,409	0
Expendable Trust Funds:		
Unemployment Insurance	137	20
State Treasurer	2,254	1,149
Land Board	3,380	0
Other	1	175
Nonexpendable Trust	157	0
Agency Funds:		
Taxes & Assessments	0	4,507
Other Agency Funds	304	2
College and University Funds	14,427	15,755
Totals	$35,562	$35,562

NOTE III. COMMITMENTS AND CONTINGENCIES

Changes in long-term liabilities of the State are summarized as follows (expressed in thousands).

	Proprietary Fund Types	Trust & Agency Funds	Long-Term Debt Accounts	College & University Funds	Totals
Beginning Balance, July 1, 1986	$387,826	$122,038	$163,521	$227,204	$900,589
Obligations Issued	0	0	0	45,959	45,959
Obligations Retired	(162)	0	0	(35,137)	(35,299)
Increase in Compensated Absences	486	(1)	2,534	3,173	6,192
Increase (Decrease) of Other Liabilities:					
Unpaid Insurance Losses	48,114	0	0	0	48,114
Deferred Compensation Due Participants	0	11,249	0	0	11,249
Claimant Benefits	0	(1,398)	2,160	0	762
Tax Refunds Payable	0	0	473	0	473
Capital Lease Obligations	(206)	(64)	32,725	12,881	45,336
Advances from Other Funds	0	(11)	0	0	(11)
Deposits Held for Others	5,790	8,772	0	0	14,562
Ending Balance, June 30, 1987	$441,848	$140,585	$201,413	$254,080	$1,037,926

A. UNPAID INSURANCE LOSSES

The State Worker Compensation Insurance Fund has accepted liability for future benefit payments to disable workers of $395.7 million.

B. LEASE COMMITMENTS

The state may enter into lease or rental agreements for buildings or equipment. All leases contain clauses indicating that continuation of the lease is subject to funding by the legislature. It is reasonably assured that most of these leases will be renewed in the normal course of business. They are therefore treated as noncancelable for financial reporting purposes.

Future minimum payments at June 30, 1987 for existing leases were as follows (expressed in thousands).

		Capital Leases		
Fiscal Year	Operating Leases	Internal Service	College & University	General Long Term Debt
1988	$10,824	$693	$18,049	$10,711
1989	7,991	450	16,411	10,468
1990	6,331	237	15,161	9,952
1991	4,120	196	13,887	8,988
1992	3,034	46	13,914	7,824
Thereafter	14,161	40	87,997	38,800
Total Minimum Lease Payments	$46,461	1,162	165,419	86,743
Less Imputed Interest		(198)	(64,361)	(23,789)
Present Value of Net Minimum Lease Payments		$1,464	$101,058	$62,954

C. NOTES AND BONDS PAYABLE

Many higher education institutions, the Guaranteed Student Loan Program and the Trinidad State Nursing Home have issued bonds and notes for the purchase of equipment and the construction of facilities. Specific user revenues are pledged for the payments of interest and future retirement of the obligations.

Annual maturities of the obligations are listed below (expressed in thousands).

Fiscal Year	Bonds	Notes	Total
1988	$12,888	$348	$13,236
1989	12,981	244	13,225
1990	12,639	177	12,816
1991	12,725	175	12,900
1992	13,137	167	13,304
1993-1997	60,894	819	61,713
1998-2002	48,396	759	49,155
2003-2007	36,685	609	37,294
2008-2012	19,374	100	19,474
Total Future Payments	$229,719	$3,398	$233,117
Less Interest	(108,931)	(1,368)	(110,299)
Total Principal Payments	**$120,788**	**$2,030**	**$122,818**

D. ACCRUED COMPENSATED ABSENCES LIABILITIES

All employees in permanent positions earn and accrue sick leave at the rate of one and one-fourth days per month, with no limit on total days accrued. Employees are paid for one-fourth of their unused sick leave upon retirement.

Annual leave is earned at increasing rates based on longevity. In no event can an employee accumulate more than 42 days of annual leave at the end of each fiscal year. Employee are paid 100% of their annual leave balance upon leaving state service.

Compensated absence liabilities related to the governmental funds are recorded in the Long-Term Debt Account Group. The current portion of the compensated absence liability accrual is not recognized in the governmental fund as it is not expected to be funded out of current available resources. For all other fund types, both current and long-term portions are recorded as individual fund liabilities.

E. OTHER LONG-TERM LIABILITIES

The following obligations, listed by fund type, represent amounts owed by the state at June 30, 1987 which are classified as Other Long-Term Liabilities on the balance sheet (expressed in thousands).

	Proprietary Fund Types	Fiduciary Fund Types	Long-Term Debt	Totals
Claimant Benefits	$ 0	$3,680	$ 0	$3,680
Deposits Held for Others	40,227	93,967	0	134,194
Tax Refunds Payable	0	0	1,475	1,475
Labor Fund Claims	0	0	85,280	85,280
Deferred Compensation Due Participants	0	42,928	0	42,928
	$40,227	$140,575	$86,755	$267,557

The State Employees and Officials Group Insurance Trust Fund has recognized $2.4 million in liability for incurred but unreported claims. The Dependent Minor Trust is holding $1.3 million from workman's compensation awards for worker fatalities.

The State Worker's Compensation Insurance Fund is holding $40.2 million in deposits from policy holders and $35 thousand as a specific compensation claim liability. Other deposits are held by various departments as refundable deposits and guarantees, funds held for residents in state run facilities, and funds held prior to being disbursed to citizens and entities within Colorado.

Tax refunds payable is the estimated amount for late filed tax returns which will be paid after one year.

Long-term liabilities against the Labor Fund are recorded in the Long-Term Debt Group of Accounts. Estimated future payments are actuarially determined. Amounts are: major medical benefits, $72.4 million; subsequent injury, $10.7 million; and medical disaster, $309 thousand. Benefits are expected to be funded through future revenues from a special tax on worker's compensation premiums, court awards and interest income. In addition the fund has deferred interest on an advance from the Federal Unemployment Insurance Trust Fund in the amount of $1.9 million.

F. DEFEASED DEBT

Outstanding debt was refunded in three higher education organizations. This was accomplished by depositing in escrow accounts a portion of the net proceeds of new bond issues an amount sufficient, together with known minimum yields from investment of such monies, to pay principal, interest and any redemption premium on the refunded issues. Information regarding the fiscal year 1987 defeasance follows (expressed in thousands).

	Refunded Debt	Economic Gain/(Loss)
University of Colorado at Boulder	$28,535	$1,111
Colorado State University	17,455	(490)
University of Southern Colorado	3,930	(807)
University of Northern Colorado	6,130	(339)
	$56,050	($525)

The balances of outstanding debt at June 30, 1987 which have been placed in escrow type accounts with paying agents are listed below (expressed in thousands).

University of Colorado	$59,180
Colorado School of Mines	4,000
Colorado State University	41,116
Fort Lewis College	7,578
University of Southern Colorado	4,762
University of Northern Colorado	5,955
Community College of Denver	200
Trinidad State Jr. College	820
	$123,611

G. OUTSTANDING ENCUMBRANCES

Encumbrance accounting, under which purchase orders and contracts for expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General, Special Revenue, and Capital Project funds. Encumbrances outstanding at year-end are not reported as a reservation of fund balances but are considered to be a commitment for the expenditure of available resources in future periods.

However, certain appropriations which have been encumbered are allowed to roll forward into the subsequent period and these encumbered appropriations are a reservation of fund balance.

On June 30, 1987, outstanding encumbrances in all funds amounted to $260.1 million. This amount included $174.5 million from the Special Revenue Fund, $35.4 million from the Capital Projects Funds, $48.7 million from the General Fund, with the remainder in other funds.

G. CONTINGENCIES

The State has established a self-insurance fund managed by the Risk Management Division of the Department of Administration. Operations of the Risk Management Division are recorded in the Internal Service Fund. Estimates for unpaid insurance losses are recorded as liabilities in this fund. Most of these claims are limited by the Colorado Governmental Immunity Act which sets upward limits of State liability at $150,000 per person or $400,000 per occurrence. Judgments awarded against the State for which there is no insurance coverage or which are not payable from the Risk Management Fund ordinarily require a legislative appropriation before they may be paid.

Many State agencies enter into various grant and contract agreements with the Federal government and other parties. These agreements generally provide for audits of the transactions pertaining to the agreements, with the State being liable to those parties for any disallowed expenditures. Audit disallowances and error sanctions in the Department of Social Services total approximately $18.4 million. The State is contesting the disallowances and their outcome is uncertain.

The State is a defendant in numerous lawsuits involving claims of inadequate, negligent or unconstitutional treatment of prisoners and mental patients. In some of these suits, plaintiffs are seeking or have obtained certification of a class for a class action. Most of these cases involved allegations of actual damages that are not material but include allegations of punitive damages that may be material. In addition, numerous other cases are pending in which plaintiffs allege that the State has deprived persons of their civil rights. In the aggregate, the monetary damages claimed (actual, punitive and attorneys' fees) in these cases would exceed the insurance coverage available by a material amount. The State believes it is highly unlikely that there will be actual awards of judgments in material amounts.

There are various other claims and litigations pending, incident to the operations of State government. The most significant involves a $680 million class action claim filed October 19, 1984 against the State Compensation Fund for bad faith insurance practice and other unclear negligent, intentionally outrageous conduct for the request for and issuance of an Attorney General formal opinion regarding worker's compensation which is adverse to the claimants. The Court of Appeals ruled with the State in a prior decision which is currently under review by the State Supreme Court.

Another material case is between AT&T and the Department of Revenue concerning claimed exemption from sales tax on access charges paid on completing long distance phone calls. At risk is $28.5 million in taxes already collected that would have to be refunded by the General Fund.

The State believes it has a good chance of prevailing in both these cases but the ultimate outcome cannot presently be determined. No provision for any liability that may result has been made in the financial statements. A report of significant pending litigation and claims prepared by the Colorado Attorney General's Office is available from the State Controller's Office.

NOTE IV. PENSION COSTS

A. PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION

The Public Employees' Retirement Association (PERA) is a statewide retirement association established under the authority of Title 24, Article 51, CRS, which administers a defined benefit plan for public employees. PERA's purpose is to provide income to members and their families at retirement or in case of death or disability. Substantially all employees of the State government are required to participate in this retirement program which operates under the pooled investment concept. Members of PERA in addition to state employees are:

1. All Colorado school districts except Denver,
2. Numerous municipalities,
3. Public health departments,
4. Other local government entities

A member is eligible for a reduced retirement benefit as early as age 55 with at least 30 years of service, at age 60 with at least 20 years service and at age 65 with at least 5 years service. Maximum benefit is 70% of the average of the 3 highest years of earnings within a member's career. All members contribute 8% of their salaries under the retirement plan except for state highway troopers who contribute 9% and game wardens who contribute 12.5%. The State also contributes between 10.2 and 13% depending on the position.

PERA's net assets available for benefits at December 31, 1986, at market value, were $6.7 billion while the total present value of accumulated plan benefits at December 31, 1986 was $5.0 billion. The total accrued actuarial liabilities was $7.1 billion at December 31, 1986. Actuarial valuations are conducted annually. Other data by PERA division follows:

	PERA Divisions			
	State	School	Municipal	Judges
Membership - Dec. 31, 1986	48,222	68,492	8,293	362
Employee Contributions - 1986	$75,086,000	$98,030,000	$13,029,000	$875,000
Employer Contributions - 1986	$87,901,000	$117,210,000	$12,044,000	$1,365,000
Employer % of Salary Contribution	10.2%	11.5%	10.2%	13.0%
For State Troopers	11.2%			
Unfunded Actuarial Accrued Liabilities	$495,305,322	$386,522,691	$16,874,024	$2,339,842
Amortization Period	16 years	10 years	5 years	5 years

Source: PERA Comprehensive Annual Financial Report for the year ended Dec. 31, 1986

B. OTHER RETIREMENT PLANS

Under the statute requiring State employee participation in the Public Employees' Retirement Association, a provision was made for continuing established retirement or annuity plans for presidents, deans, professors,and instructors in State educational intitutions. Under this provision, the State makes contributions to the Teachers Insurance and Annuity Association (TIAA) for full-time faculty members at the University of Colorado (CU). The State's contribution to TIAA for the hears ended

June 30, 1986 and June 30, 1987 were $6.1 million and $6.9 million respectively. The State's legal obligation is limited to the amounts paid to TIAA. Faculty members at CU are under social security. Colorado State University faculty are under PERA only. State contributions for FICA for the years ended June 30, 1986 and June 30, 1987 were $5.8 million and $6.6 million respectively.

C. DEFERRED COMPENSATION

The State initiated a deferred compensation plan for State employees in 1981. This plan has a third party administrator and all costs of administration and funding are borne by the plan participants. Investments and accumulated earnings of the plan at June 30, 1986 and June 30, 1987 totaled $31.7 million and $42.9 million respectively.

D. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Public Employee Retirement Association has Blue Cross and Blue Shield for its Major Medical Indemnity and Medicare Supplement plans. In addition various health maintenance organization plans are offered as a choice for health care coverage.

Under the program, the Public Employee Retirement Association pays a portion of the monthly premium for health care coverage while the benefit recipient pays any remaining amount through an automatic deduction from his or her monthly retirement benefit. The amount depends on the plan selected, the number of persons being covered, Medicare eligibility and the number of years of P.E.R.A. service credit the benefit recipient has.

Separate post retirement health care and life insurance benefit plans exist in some State colleges and universities but are small in comparison to the State plan for classified employees.

NOTE V. SUBSEQUENT EVENTS

A. NOTE ISSUANCE

On July 1, 1987, the State issued $110 million in General Fund Tax and Revenue Anticipation Notes, Series 1987, with an interest rate of 6.4%. The notes were issued to fund the State's anticipated cash flow deficit for the fiscal year ending June 30, 1988. The proceeds of the sale were deposited in the General Fund to be used to meet ordinary disbursements of the State. Issuance of the notes was authorized by the Funds Management Act of 1986 and under the law they must be repaid by June 27, 1988.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS

These financial statements provide the financial position and results of operations, by fund, for each fund type.

GENERAL FUND

The General Fund is the principal operating fund of the State. It is used to account for all governmental financial resources and transactions not accounted for in another fund.

STATE OF COLORADO
GENERAL FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES,
TRANSFERS, AND REVERSIONS
FOR THE YEAR ENDED JUNE 30, 1987

State Department/Agency	APPROPRIATIONS Total	Augmenting	Net
LEGISLATIVE BRANCH:			
General Assembly	$5,663,486	$73,000	$5,590,486
Joint Budget Committee	639,130	0	639,130
Legislative Council	2,866,734	250,000	2,616,734
Office of State Auditor	4,404,901	0	4,404,901
Legislative Drafting	2,629,508	0	2,629,508
Total Legislative Branch	16,203,759	323,000	15,880,759
JUDICIAL BRANCH:			
Judicial Administration	72,146,475	2,389,091	69,757,384
Public Defender	12,840,361	142,400	12,697,961
Judicial Department	0	0	0
Total Judicial Branch	84,986,836	2,531,491	82,455,345
OFFICE OF THE GOVERNOR:			
Administrative Office	4,692,045	2,938,189	1,753,856
Lieutenant Governor	225,953	0	225,953
Office of State Planning & Budgeting	1,053,090	204,647	848,443
Governor's Job Training Office	37,093,922	37,093,922	0
Total Office of the Governor	43,065,010	40,236,758	2,828,252
DEPARTMENT OF ADMINISTRATION:			
Executive Director	5,067,400	1,738,935	3,328,465
Accounts and Control	2,364,963	895,062	1,469,901
Archives & Public Records	402,028	0	402,028
General Government Computer Center	5,849,100	3,515,686	2,333,414
Purchasing	651,864	80,000	571,864
Division of ADP	666,747	0	666,747
Capitol Complex	5,032,435	594,525	4,437,910
Communications	6,459,957	5,053,044	1,406,913
Hearing Officers	1,017,771	1,017,771	0
State Buildings	2,455,061	923,815	1,531,246
Colorado Minority Business Development	177,955	137,955	40,000
Risk Management	570,375	0	570,375
Non-Operating (Controller)	56,927,389	1,294,825	55,632,564
Total Department of Administration	87,643,045	15,251,618	72,391,427
DEPARTMENT OF AGRICULTURE:			
Administration	7,894,257	2,127,076	5,767,181
Brand Inspection	2,222,483	2,222,483	0
Beef Promotion	2,501,100	2,501,100	0
Predatory Animal	77,821	77,821	0
Sheep and Wool	75,000	75,000	0
Total Department of Agriculture	12,770,661	7,003,480	5,767,181

EXPENDITURES AND TRANSFERS			Unexpended Balance	Restricted Net Income (Loss)	Appropriation	
Total	Augmenting	Net			Rollforward	Reversion
$5,179,075	$74,665	$5,104,410	$486,076	$0	$110,651	$375,425
590,532	0	590,532	48,598	0	0	48,598
2,239,099	19,800	2,219,299	397,435	0	153,417	244,019
4,044,456	0	4,044,456	360,445	0	0	360,445
2,038,160	0	2,038,160	591,348	0	368,193	223,155
14,091,322	94,465	13,996,857	1,883,902	0	632,261	1,251,642
71,871,224	2,113,821	69,757,403	(19)	0	0	(19)
12,543,453	127,781	12,415,672	282,289	0	119,303	162,986
0	20,142	(20,142)	20,142	0	0	20,142
84,414,678	2,261,744	82,152,934	302,411	0	119,303	183,109
3,384,589	1,636,117	1,748,472	5,384	0	5,172	213
225,095	0	225,095	858	0	0	858
1,048,164	204,647	843,517	4,926	0	0	4,926
27,031,170	27,031,170	0	0	0	0	0
31,689,017	28,871,934	2,817,083	11,169	0	5,172	5,997
4,721,397	1,406,608	3,314,789	13,676	0	0	13,676
2,323,518	1,011,335	1,312,183	157,718	25,949	0	131,769
401,929	0	401,929	99	0	0	99
5,585,127	3,451,371	2,133,756	199,658	0	0	199,658
619,527	47,711	571,816	48	0	0	48
636,758	0	636,758	29,989	0	0	29,989
4,888,286	587,713	4,300,573	137,337	0	12,612	124,725
5,990,396	5,861,582	128,814	1,278,099	0	72,020	1,206,079
1,013,936	1,027,649	(13,713)	13,713	0	0	13,713
2,414,899	956,033	1,458,866	72,380	0	0	72,380
112,330	75,342	36,988	3,012	0	0	3,012
570,375	0	570,375	0	0	0	0
57,054,878	1,199,011	55,855,867	(223,303)	0	0	(223,303)
86,333,355	15,624,355	70,709,000	1,682,427	25,949	84,632	1,571,845
7,380,097	2,023,975	5,356,122	411,059	177,338	142,536	91,185
2,232,886	2,189,768	43,118	(43,118)	(43,118)	0	0
1,216,425	1,696,214	(479,790)	479,790	479,790	0	0
37,747	39,836	(2,089)	2,089	2,089	0	0
73,306	53,097	20,209	(20,209)	(20,209)	0	0
10,940,461	6,002,891	4,937,569	829,612	595,891	142,536	91,185

(Continued...)

State Department/Agency	APPROPRIATIONS Total	Augmenting	Net
DEPARTMENT OF EDUCATION:			
Education	984,516,139	149,505,201	835,010,938
Colorado School for Deaf & Blind	5,574,477	993,128	4,581,349
Teachers Emeritus-Annuitants	1,064,090	0	1,064,090
Total Department of Education	991,154,706	150,498,329	840,656,377
DEPARTMENT OF HEALTH	100,023,602	76,102,505	23,921,097
DEPARTMENT OF HIGHER EDUCATION:			
Commission on Higher Education	31,598,670	3,288,805	28,309,865
Council on Arts & Humanities	2,130,370	479,196	1,651,174
Historical Society	2,412,241	954,496	1,457,745
Colorado Advanced Technology Institute	1,441,350	0	1,441,350
Regents-University of Colorado	69,796,029	0	69,796,029
Univ of Colo-Health Sciences Center	82,497,190	0	82,497,190
Colorado School of Mines	9,881,513	0	9,881,513
State Board of Agriculture	60,737,757	0	60,737,757
CSU-Vet. Med. & Student Aid	5,230,199	0	5,230,199
CSU-Experiment Stations	6,805,367	0	6,805,367
CSU-Extension Services	5,666,807	0	5,666,807
CSU-Forest Services	2,369,915	0	2,369,915
Trustees of State Colleges	38,927,648	0	38,927,648
University of Northern Colorado	23,217,869	0	23,217,869
Co. Comm. Coll. & Occupational Ed. System	90,122,307	11,870,443	78,251,864
Auraria Higher Education Center	13,964	0	13,964
Total Department of Higher Education	432,849,196	16,592,940	416,256,256
DEPARTMENT OF INSTITUTIONS:			
Administrative Offices	5,334,279	3,171,294	2,162,985
Admin. Office-Division of Mental Health	24,932,393	4,816,720	20,115,673
Colorado State Hospital	45,080,413	13,771,019	31,309,394
Fort Logan Mental Health Center	19,773,943	9,410,890	10,363,053
Division for Developmental Disabilities	28,535,640	2,407,275	26,128,365
Regional Training Center-Grand Junction	12,936,793	12,895,129	41,664
Regional Training Center-Wheatridge	19,734,909	19,699,587	35,322
Regional Training Center-Pueblo	8,265,007	8,246,395	18,612
Division of Youth Services	25,069,585	1,420,820	23,648,765
Public Housing Authority	2,084,119	2,084,119	0
Department of Institutions	191,747,081	77,923,248	113,823,833
DEPARTMENT OF LABOR & EMPLOYMENT	61,300,166	58,909,083	2,391,083
DEPARTMENT OF LAW	15,449,459	5,574,821	9,874,638
DEPARTMENT OF LOCAL AFFAIRS	100,652,875	93,175,600	7,477,275
DEPARTMENT OF MILITARY AFFAIRS	3,209,402	1,686,688	1,522,714

EXPENDITURES AND TRANSFERS			Unexpended Balance	Restricted Net Income (Loss)	Appropriation	
Total	Augmenting	Net			Rollforward	Reversion
967,329,841	128,958,259	838,371,583	(3,360,645)	(3,886,006)	220,266	305,095
5,433,438	909,209	4,524,229	57,120	0	23,106	34,014
1,063,690	0	1,063,690	400	0	0	400
973,826,970	129,867,468	843,959,502	(3,303,125)	(3,886,006)	243,372	339,509
95,971,559	75,827,019	20,144,540	3,776,557	3,403,090	13,389	360,078
31,250,050	2,991,624	28,258,426	51,439	0	10,340	41,099
1,499,377	464,194	1,035,183	615,991	0	615,366	625
2,325,288	890,457	1,434,831	22,914	22,914	0	0
1,440,665	0	1,440,665	685	0	0	685
69,796,029	0	69,796,029	0	0	0	0
82,497,190	0	82,497,190	0	0	0	0
9,881,513	0	9,881,513	0	0	0	0
60,737,757	0	60,737,757	0	0	0	0
5,190,747	0	5,190,747	39,452	0	0	39,452
6,805,367	0	6,805,367	0	0	0	0
5,666,807	0	5,666,807	0	0	0	0
2,304,995	0	2,304,995	64,920	0	55,063	9,857
38,927,648	0	38,927,648	0	0	0	0
23,217,869	0	23,217,869	0	0	0	0
87,981,526	10,135,606	77,845,920	405,944	0	0	405,944
13,964	0	13,964	0	0	0	0
429,536,792	14,481,881	415,054,911	1,201,345	22,914	680,769	497,662
4,774,046	2,775,476	1,998,570	164,415	0	150,685	13,730
24,175,383	4,332,487	19,842,896	272,777	0	0	272,777
44,877,731	13,574,609	31,303,121	6,273	0	6,093	180
19,579,220	9,237,628	10,341,592	21,461	0	2,716	18,745
28,167,139	2,051,929	26,115,210	13,155	0	0	13,155
12,815,243	12,773,973	41,270	394	0	0	394
19,518,285	19,599,020	(80,735)	116,057	0	0	116,057
8,264,572	8,256,830	7,743	10,869	0	0	10,869
24,770,450	1,176,446	23,594,004	54,761	0	13,086	41,675
1,654,421	1,678,209	(23,788)	23,788	(12,271)	0	36,059
188,596,491	75,456,607	113,139,883	683,950	(12,271)	172,580	523,641
54,541,106	52,441,083	2,100,023	291,060	278,951	0	12,109
14,456,325	5,477,965	8,978,360	896,278	285,849	501,580	108,849
58,927,947	50,788,322	8,139,624	(662,349)	(1,111,136)	314,770	134,017
2,921,887	1,407,163	1,514,723	7,991	0	7,867	124

(Continued...)

State Department/Agency	APPROPRIATIONS Total	Augmenting	Net
DEPARTMENT OF NATURAL RESOURCES:			
Executive Director	7,128,166	5,041,649	2,086,517
Board of Land Commissioners	1,728,308	1,728,308	0
Water Conservation	1,669,962	1,005,123	664,839
Water Resources	8,835,552	240,922	8,594,630
Soil Conservation	1,133,988	727,606	406,382
Bureau of Mines	428,011	234,546	193,465
Oil & Gas Conservation Board	1,277,784	1,277,784	0
Geological Survey	1,173,102	910,235	262,867
Parks	10,758,179	7,811,655	2,946,524
Mined Land Reclamation	3,470,500	2,722,910	747,590
Total Department of Natural Resources	37,603,552	21,700,738	15,902,814
DEPARTMENT OF PERSONNEL	3,320,346	227,627	3,092,719
DEPARTMENT OF REGULATORY AGENCIES:			
Executive Director	423,548	358,816	64,732
Administrative Services	872,042	823,406	48,636
Division of Banking	2,475,046	0	2,475,046
Civil Rights	1,398,174	435,579	962,595
Office of Energy Conservation	35,564,935	35,564,935	0
Insurance Division	2,485,361	19,352	2,466,009
Public Utilities Commission	7,765,969	7,765,969	0
Racing Commission	885,027	2,000	883,027
Real Estate Commission	1,843,766	1,843,766	0
Division of Registration	6,917,096	6,917,096	0
Savings & Loan Division	284,254	0	284,254
Division of Securities	725,463	725,463	0
Total Department of Regulatory Agencies	61,640,681	54,456,382	7,184,299
DEPARTMENT OF REVENUE	56,854,657	34,939,456	21,915,201
DEPARTMENT OF SOCIAL SERVICES:			
Social Services-Administration	867,383,638	581,117,484	286,266,154
State Veterans Center	287,142	0	287,142
Colo State Veterans Nursing Home	7,000	0	7,000
Garfield County Nursing Home	365,321	0	365,321
Total Department of Social Services	868,043,101	581,117,484	286,925,617
DEPARTMENT OF STATE	4,241,447	4,241,447	0
DEPARTMENT OF TREASURY:			
Treasury-Distributions	918,299	918,299	0
Treasury-Administration	1,297,610	438,910	858,700
Total Department of Treasury	2,215,909	1,357,209	858,700

EXPENDITURES AND TRANSFERS			Unexpended Balance	Restricted Net Income (Loss)	Appropriation	
Total	Augmenting	Net			Rollforward	Reversion
6,316,375	4,540,536	1,775,839	310,678	0	309,153	1,525
1,568,569	1,581,256	(12,688)	12,688	12,688	0	0
1,561,679	896,843	664,836	3	0	0	3
8,713,264	132,431	8,580,833	13,797	1,288	12,494	15
889,936	483,555	406,381	1	0	0	1
373,930	190,661	183,269	10,196	10,114	0	82
1,157,771	1,265,519	(107,748)	107,748	107,748	0	0
1,036,525	775,396	261,129	1,738	1,738	0	0
10,504,380	8,995,562	1,508,818	1,437,706	1,437,706	0	0
2,626,458	1,879,420	747,038	552	0	0	552
34,748,887	20,741,180	14,007,707	1,895,107	1,571,282	321,647	2,178
3,196,854	109,489	3,087,364	5,355	0	2,918	2,437
410,347	358,816	51,531	13,201	0	8,591	4,610
855,577	823,406	32,171	16,465	0	0	16,465
2,466,989	0	2,466,989	8,057	0	0	8,057
1,383,176	299,142	1,084,034	(121,439)	(121,690)	0	251
13,001,912	14,872,294	(1,870,382)	1,870,382	1,841,824	0	28,558
2,432,660	15,021	2,417,639	48,370	0	0	48,370
7,268,454	7,209,025	59,429	(59,429)	(59,429)	0	0
886,249	500	885,749	(2,722)	0	0	(2,722)
1,798,551	1,785,728	12,823	(12,823)	(12,823)	0	0
6,730,811	6,631,359	99,452	(99,452)	(99,452)	0	0
277,419	0	277,419	6,835	0	0	6,835
694,435	881,734	(187,299)	187,299	187,299	0	0
38,206,579	32,877,025	5,329,554	1,854,745	1,735,729	8,591	110,424
55,215,389	33,385,202	21,830,187	85,014	(49,514)	90,046	44,482
889,888,777	586,516,588	303,372,189	(17,106,035)	17,036	318,305	(17,441,376)
287,142	0	287,142	0	0	0	0
7,000	0	7,000	0	0	0	0
365,321	0	365,321	0	0	0	0
890,548,240	586,516,588	304,031,652	(17,106,035)	17,036	318,305	(17,441,376)
4,164,600	3,507,964	656,636	(656,636)	(656,561)	0	(75)
918,299	1,019,217	(100,917)	100,917	100,917	0	0
1,264,401	741,064	523,338	335,362	255,303	0	80,059
2,182,701	1,760,280	422,420	436,280	356,220	0	80,059

(Continued...)

State Department/Agency	APPROPRIATIONS Total	Augmenting	Net
DEPARTMENT OF CORRECTIONS:			
Corrections-Administration	64,235,748	1,400,504	62,835,244
Correctional Industries	901,044	0	901,044
Total Department of Corrections	65,136,792	1,400,504	63,736,288
DEPARTMENT OF PUBLIC SAFETY	30,511,488	13,821,144	16,690,344
Recapture of Prior Year Overexpenditures	437,527	0	437,527
TOTAL GENERAL FUND	$3,271,061,298	$1,259,071,552	$2,011,989,746

EXPENDITURES AND TRANSFERS			Unexpended Balance	Restricted Net Income (Loss)	Appropriation	
Total	Augmenting	Net			Rollforward	Reversion
63,258,561	1,130,695	62,127,866	707,378	62,844	309,181	335,353
901,044	0	901,044	0	0	0	0
64,159,605	1,130,695	63,028,910	707,378	62,844	309,181	335,353
23,626,685	7,921,738	15,704,947	985,397	47,670	456,752	480,975
0	0	0	437,527	0	0	437,527
$3,162,297,446	$1,146,553,060	$2,015,744,386	($3,754,640)	$2,687,938	$4,425,670	($10,868,248)

SPECIAL REVENUE FUNDS

HIGHWAY

Expenditures of this fund are primarily for the construction and maintenance of public highways, while revenues are from excise taxes on motor fuels, driver and vehicle registration fees, and ton-mile taxes.

WILDLIFE

Expenditures of this fund are used to preserve the State's wildlife and promote outdoor recreational facilities, while revenues are from hunting and fishing license fees as well as various fines.

LABOR

This fund accounts for compensation or medical benefits to qualified injured industrial workers.

STATE OF COLORADO
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
JUNE 30, 1987
(Expressed in Thousands)

	HIGHWAY	WILDLIFE	LAND B	TOTALS
ASSETS:				
Cash and Short-term Investments	$130,531	$12,617	$10,135	$153,283
Taxes Receivable, net	40,642	0	0	40,642
Other Receivables, net	1,783	1,193	0	2,976
Due From Other Governments	37,655	3,892	0	41,547
Due From Other Funds	1,167	0	0	1,167
Inventories	16,886	1,164	0	18,050
Other Current Assets	390	325	0	715
TOTAL ASSETS	$229,054	$19,191	$10,135	$258,380
LIABILITIES:				
Accounts Payable and Accruals	$49,641	$1,433	$3,025	$54,709
Due to Other Governments	22,221	0	0	22,221
Due to Other Funds	5,815	4	0	5,819
Deferred Revenue	2,060	9,221	0	11,281
TOTAL LIABILITIES	79,693	10,658	3,025	93,718
FUND EQUITY:				
Fund Balances:				
Reserved for:				
Inventories	16,886	1,164	0	18,050
Other Specific Purposes	133,728	7,369	510	141,607
TOTAL FUND EQUITY	150,614	8,533	510	159,657
TOTAL LIABILITIES AND FUND EQUITY	$229,054	$19,191	$10,135	$258,380

STATE OF COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 1987
(Expressed in Thousands)

	HIGHWAY	WILDLIFE	LABOR	TOTALS
REVENUES:				
Taxes	$310,114	$407	$5,030	$315,551
Licenses, Permits, and Fines	79,406	20,429	0	99,835
Charges for Goods and Services	415	471	0	886
Interest and Rents	1,437	1,023	542	3,002
Federal Grants and Contracts	223,109	5,581	0	228,690
Other	32,698	7,373	325	40,396
TOTAL REVENUES	647,179	35,284	5,897	688,360
EXPENDITURES:				
Current:				
General Government	2,002	0	0	2,002
Business, Community and Consumer Affairs	0	0	8,558	8,558
Justice	28,611	0	0	28,611
Natural Resources	0	34,913	0	34,913
Transportation	406,342	0	0	406,342
Capital Outlay	25,675	1,410	1	27,086
Intergovernmental	140,991	81	0	141,072
TOTALS EXPENDITURES	603,621	36,404	8,559	648,584
Excess of Revenues Over (Under) Expenditures	43,558	(1,120)	(2,662)	39,776
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	41,071	0	3,399	44,470
Operating Transfers Out	(41,527)	(3,469)	0	(44,996)
TOTAL OTHER FINANCING SOURCES (USES)	(456)	(3,469)	3,399	(526)
Excess of Revenues and Other Sources (Uses) Over (Under) Expenditures	43,102	(4,589)	737	39,250
FUND BALANCE, JULY 1	107,512	13,122	(227)	120,407
FUND BALANCE, JUNE 30	$150,614	$8,533	$510	$159,657

STATE OF COLORADO

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ANNUALLY BUDGETED SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 1987
(Expressed in Thousands)

	WILDLIFE FUND		
	BUDGET	ACTUAL	VARIANCE
REVENUES:			
Total General Revenues	$0	$0	$0
Federal and Cash Funding Sources	40,523	35,284	(5,239)
TOTAL GROSS REVENUES & TRANSFERS	40,523	35,284	(5,239)
Less: Intrafund Revenues		0	
Interfund Revenues		0	
NET REVENUES		35,284	
EXPENDITURES:			
Labor and Employment	0	0	0
Natural Resources	40,523	39,873	650
TOTAL GROSS EXPENDITURES & TRANSFERS	40,523	39,873	650
Less: Intrafund Expenditures		0	
Interfund Expenditures		(3,469)	
NET EXPENDITURES		36,404	
Excess of Revenues Over (Under) Expenditures		(1,120)	
OTHER FINANCING SOURCES (USES)		(3,469)	
Excess of Revenues and Other Sources (Uses) Over (Under) Expenditures		(4,589)	
FUND BALANCES, JULY 1		13,122	
FUND BALANCES, JUNE 30		$8,533	

LABOR FUND			TOTALS (Memorandum Only)		
BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
$0	$0	$0	$0	$0	$0
9,745	9,295	(450)	50,268	44,579	(5,689)
9,745	9,295	(450)	50,268	44,579	(5,689)
	0			0	
	(3,399)			(3,399)	
	5,896			41,180	
9,745	8,559	1,186	9,745	8,559	1,186
0	0	0	40,523	39,873	650
9,745	8,559	1,186	50,268	48,432	1,836
	0			0	
	0			(3,469)	
	8,559			44,963	
	(2,663)			(3,783)	
	3,399			(70)	
	736			(3,853)	
	(227)			12,896	
	$509			$9,043	

CAPITAL PROJECTS FUNDS

REGULAR CAPITAL CONSTRUCTION

This fund accounts for the construction and maintenance projects for State buildings which are financed primarily from revenue sources appropriated by the Legislature. These include transfers from the general fund, lottery fund, and may include matching federal funds.

SPECIAL CAPITAL CONSTRUCTION

This fund also accounts for State building projects, but are financed from non-appropriated financing sources such as private grants and donations as well as federal grants.

STATE OF COLORADO
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
JUNE 30, 1987
(Expressed in Thousands)

	REGULAR CAPITAL CONSTRUCTION	SPECIAL CAPITAL CONSTRUCTION	TOTALS
ASSETS:			
Cash and Short-term Investments	$57,571	$89,791	$147,362
Other Receivables, net	0	815	815
Due From Other Governments	1,916	190	2,106
Due From Other Funds	16	0	16
Long-term Loans Receivable	0	42,034	42,034
TOTAL ASSETS	$59,503	$132,830	$192,333
LIABILITIES:			
Accounts Payable and Accruals	4,758	263	5,021
Due to Other Funds	1,135	78	1,213
Deferred Revenue	2,743	291	3,034
TOTAL LIABILITIES	8,636	632	9,268
FUND EQUITY:			
Fund Balances:			
Reserved for:			
Continuing Appropriations	48,770	0	48,770
Other Specific Purposes	0	132,198	132,198
Unreserved	2,097	0	2,097
TOTAL FUND EQUITY	50,867	132,198	183,065
TOTAL LIABILITIES AND FUND EQUITY	$59,503	$132,830	$192,333

STATE OF COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 1987
(Expressed in Thousands)

	REGULAR CAPITAL CONSTRUCTION	SPECIAL CAPITAL CONSTRUCTION	TOTALS
REVENUES:			
Taxes	$0	$998	$998
Licenses, Permits, and Fines	3,314	46	3,360
Charges for Goods and Services	767	4	771
Interest and Rents	3,787	7,548	11,335
Federal Grants and Contracts	6,491	3,292	9,783
Other	1,301	115	1,416
TOTAL REVENUES	15,660	12,003	27,663
EXPENDITURES:			
Capital Outlay	64,613	6,561	71,174
Intergovernmental	859	1,161	2,020
TOTAL EXPENDITURES	65,472	7,722	73,194
Excess of Revenues Over (Under) Expenditures	(49,812)	4,281	(45,531)
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	48,945	21,623	70,568
Operating Transfers Out	(13,574)	0	(13,574)
Other	0	31,301	31,301
TOTAL OTHER FINANCING SOURCES (USES)	35,371	52,924	88,295
Excess of Revenues and Other Sources (Uses) Over (Under) Expenditures	(14,441)	57,205	42,764
FUND BALANCE, JULY 1	65,308	74,993	140,301
FUND BALANCE, JUNE 30	$50,867	$132,198	$183,065

ENTERPRISE FUNDS

These funds account for the self-sustaining operations of State agencies which render services to the general public on a user charge basis. The major funds in this group are:

COMPENSATION INSURANCE

This fund is used to provide worker's compensation insurance to employers who, for one reason or another, cannot obtain insurance with private carriers, or who are not of sufficient financial strength to obtain self-insurance permits.

CORRECTIONAL INDUSTRIES

This fund accounts for the production and sale of manufactured goods and farm products produced by convicted criminals who are being rehabilitated in the State prison system.

STATE LOTTERY

This fund accounts for the various lottery games the State runs under the authority of State statute. The net proceeds are used to support State construction projects and augment the General Fund.

GUARANTEED STUDENT LOAN

This fund accounts for the activities of the Colorado Student Loan Division which guarantees loans made by private lending institutions to students attending postsecondary schools, in compliance with operating agreements with the U.S. Dept. of Education. It also includes loan programs for Colorado residents which are not reinsured by the Federal government.

STATE NURSING HOMES

This fund accounts for nursing home and retirement care provided to the elderly at the State facilities at Homelake, Florence, Rifle, and Trinidad.

BUSINESS ENTERPRISE PROGRAM

This fund accounts for the activity of food vending stands run by the visually impaired under the supervision and guidance of the Colorado Department of Social Services.

OTHER ENTERPRISE PROGRAMS

The other enterprise activities of the State include employee parking operations, surplus property disposal, and miscellaneous canteen operations at various State institutions.

STATE OF COLORADO
COMBINING BALANCE SHEET
ENTERPRISE FUNDS
JUNE 30, 1987
(Expressed in Thousands)

	COMPENSATION INSURANCE	CORRECTIONAL INDUSTRIES
ASSETS:		
Cash and Short-term Investments	$104,347	$1,717
Investments	370,033	0
Other Receivables, net	57,763	185
Due From Other Governments	6,393	82
Due From Other Funds	1,476	539
Inventories	0	2,816
Other Current Assets	40	1
Property, Plant and Equipment, net	2,672	2,780
Other Long-term Assets	0	0
TOTAL ASSETS	$542,724	$8,120
LIABILITIES:		
Liability to Pooled Cash	$0	$0
Accounts Payable and Accruals	19,838	549
Due to Other Governments	0	0
Due to Other Funds	17	0
Deferred Revenue	17,263	6
Unpaid Insurance Losses	395,651	0
Notes and Bonds Payable	0	0
Accrued Compensated Absences	862	404
Other Liabilities	40,227	0
TOTAL LIABILITIES	473,858	959
FUND EQUITY:		
Contributed Capital	0	5,524
Unreserved Retained Earnings	68,867	1,637
TOTAL FUND EQUITY	68,867	7,161
TOTAL LIABILITIES AND FUND EQUITY	$542,725	$8,120

STATE LOTTERY	GUARANTEED STUDENT LOAN	STATE NURSING HOMES	BUSINESS ENTERPRISE PROGRAM	OTHER ENTERPRISE ACTIVITIES	TOTALS
$48,306	$18,834	$297	$378	$575	$174,454
0	0	0	0	76	370,109
1,418	317	118	47	12	59,860
0	2,563	331	0	218	9,587
0	458	119	0	19	2,611
1,070	0	181	13	240	4,320
233	27	0	172	2	475
951	424	5,751	537	3,001	16,116
0	23	0	0	0	23
$51,978	$22,646	$6,797	$1,147	$4,143	$637,555
$0	$0	$266	$0	$0	$266
5,384	1,484	317	147	107	27,826
0	5,601	0	0	0	5,601
5	458	0	0	101	581
2,795	0	0	0	91	20,155
0	0	0	0	0	395,651
0	68	435	0	0	503
249	129	255	27	47	1,973
0	0	0	0	0	40,227
8,433	7,740	1,273	174	346	492,783
0	15	4,999	0	1,366	11,904
43,545	14,891	525	973	2,430	132,868
43,545	14,906	5,524	973	3,796	144,772
$51,978	$22,646	$6,797	$1,147	$4,142	$637,555

STATE OF COLORADO

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY

ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 1987

(Expressed in Thousands)

	COMPENSATION INSURANCE	CORRECTIONAL INDUSTRIES
OPERATING REVENUES:		
Charges for Goods & Services	$185,666	$7,440
Interest & Rents	35,058	0
Federal Grants & Contracts	0	211
Other	1,104	86
TOTAL OPERATING REVENUES	221,828	7,737
OPERATING EXPENSES:		
Salaries & Fringe Benefits	8,258	2,300
Operating	5,156	4,294
Depreciation	129	166
Travel	73	25
Grants to Organizations & Individuals	219,773	0
Prizes	0	0
Other	2,498	69
TOTAL OPERATING EXPENSES	235,887	6,854
Income (Loss) Before Operating Transfers	(14,059)	883
OPERATING TRANSFERS:		
Operating Transfers In	0	901
Operating Transfers Out	(3,946)	0
Net Income/Change in Retained Earnings	(18,005)	1,784
FUND EQUITY, JULY 1	86,872	5,377
FUND EQUITY, JUNE 30	$68,867	$7,161

STATE LOTTERY	GUARANTEED STUDENT LOAN	STATE NURSING HOMES	BUSINESS ENTERPRISE PROGRAM	OTHER ENTERPRISE ACTIVITIES	TOTALS
$110,542	$2,638	$4,313	$518	$3,368	$314,485
2,469	1,112	5	128	184	38,956
0	16,547	1,117	489	0	18,364
52	602	2,051	0	633	4,528
113,063	20,899	7,486	1,135	4,185	376,333
9,435	2,544	6,112	453	1,354	30,456
11,502	2,322	1,479	259	2,871	27,883
240	194	124	195	134	1,182
181	64	5	3	9	360
0	0	0	0	0	219,773
54,413	0	0	0	0	54,413
454	13,869	192	197	74	17,353
76,225	18,993	7,912	1,107	4,442	351,420
36,838	1,906	(426)	28	(257)	24,913
0	0	643	0	0	1,544
(29,356)	0	0	0	0	(33,302)
7,482	1,906	217	28	(257)	(6,845)
36,063	13,000	5,307	945	4,053	151,617
$43,545	$14,906	$5,524	$973	$3,796	$144,772

STATE OF COLORADO
COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION
ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 1987
(Expressed in Thousands)

	CONTINUATION INSURANCE	CORRECTIONAL INDUSTRIES
SOURCES OF WORKING CAPITAL:		
Operations:		
Net Income	($18,805)	$1,784
Item Not Requiring Working Capital:		
Depreciation	128	166
Working Capital Provided by Operations	(17,878)	1,950
Net Increase In:		
Unpaid Insurance Losses	$7,110	0
Accrued Compensated Absences	160	0
Other Long-Term Liabilities	9,790	0
Beginning Fund Equity	0	0
TOTAL SOURCES OF WORKING CAPITAL	19,369	1,950
USES OF WORKING CAPITAL:		
Net Increase In:		
Property, Plant and Equipment	0	651
Net Decrease In:		
Notes and Bonds Payable	0	0
Accrued Compensated Absences	0	0
TOTAL USES OF WORKING CAPITAL	0	651
NET INCREASE (DECREASE) IN WORKING CAPITAL	$19,369	$1,299
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:		
Cash	($68,725)	$588
Investments	135,749	0
Receivables, net	1,158	98
Due From Other Governments	8,369	65
Due From Other Funds	1,879	(87)
Inventories	0	709
Other Current Assets	38	1
Cash Overdraft	0	0
Accounts Payable and Accrued Liabilities	(8,335)	(318)
Due to Other Funds	2,469	(5)
Deferred Revenue	(2,338)	48
NET INCREASE (DECREASE) IN WORKING CAPITAL	$19,369	$1,299

STATE LOTTERY	GUARANTEED STUDENT LOAN	STATE NURSING HOMES	BUSINESS ENTERPRISE PROGRAM	OTHER ENTERPRISE ACTIVITIES	TOTALS
$7,482	$1,906	$217	$28	($257)	($6,845)
240	194	124	195	134	1,182
7,722	2,100	341	223	(123)	(5,663)
0	0	0	0	0	47,110
46	26	55	0	6	473
0	0	0	0	0	5,790
0	0	3,869	0	0	3,869
7,768	2,126	4,265	223	(117)	51,579
296	113	3,871	177	(25)	4,895
0	68	95	0	(1)	162
0	0	0	1	(4)	0
296	181	3,966	178	(30)	5,057
$7,472	$1,945	$298	$45	($87)	$46,522
$7,549	$3,157	$53	$49	$45	($86,890)
0	0	0	0	(189)	133,511
(710)	14	85	9	(12)	591
0	(827)	124	0	(29)	5,743
0	411	94	0	5	2,249
(958)	0	69	3	64	(62)
213	1	0	(4)	(2)	248
0	0	(145)	0	0	(145)
1,229	(400)	(65)	(17)	54	(8,852)
4	(411)	84	0	(23)	2,121
145	0	(0)	5	0	(1,992)
$7,472	$1,945	$298	$45	($87)	$46,522

INTERNAL SERVICE FUNDS

ADMINISTRATION

This fund accounts for the sales of goods and services to other State agencies such as: mail services, printing, quick copy, motor pool, graphic design, microfilming, word processing, and office supplies. The Risk Management operation is also recorded in this fund.

HIGHWAY

This fund is used record the use and replacement of highway equipment. Its funding is from user charges back to the Highway Special Revenue Fund.

PUBLIC SAFETY

This fund accounts for the rental of aircraft to other State agencies.

STATE OF COLORADO
COMBINING BALANCE SHEET
INTERNAL SERVICE FUNDS
JUNE 30, 1987
(Expressed in Thousands)

	ADMINISTRATION	HIGHWAYS	PUBLIC SAFETY	TOTALS
ASSETS:				
Cash and Short-term Investments	$0	$0	$117	$117
Other Receivables, net	1	0	0	1
Due From Other Governments	0	0	6	6
Due From Other Funds	580	3,409	0	3,989
Inventories	689	472	0	1,161
Other Current Assets	9	30	2	41
Property, Plant and Equipment, net	8,327	55,846	511	64,684
TOTAL ASSETS	$9,606	$59,757	$636	$69,999
LIABILITIES:				
Liability to Pooled Cash	$3,966	$0	$0	$3,966
Accounts Payable and Accruals	545	827	24	1,396
Due to Other Funds	5	0	0	5
Deferred Revenue	367	0	0	367
Unpaid Insurance Losses	1,863	0	0	1,863
Capital Lease Obligations	233	1,231	0	1,464
Accrued Compensated Absences	129	0	0	129
TOTAL LIABILITIES	7,108	2,058	24	9,190
FUND EQUITY:				
Contributed Capital	0	40,461	0	40,461
Unreserved Retained Earnings	2,498	17,238	612	20,348
TOTAL FUND EQUITY	2,498	57,699	612	60,809
TOTAL LIABILITIES AND FUND EQUITY	$9,606	$59,757	$636	$69,999

STATE OF COLORADO

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 1987
(Expressed in Thousands)

	ADMINISTRATION	HIGHWAYS	PUBLIC SAFETY	TOTALS
OPERATING REVENUES:				
Charges for Goods & Services	$11,746	$22,443	$186	$34,375
Interest & Rents	0	2,000	0	2,000
Federal Grants & Contracts	0	1	0	1
Other	2,076	0	25	2,101
TOTAL OPERATING REVENUES	13,822	24,444	211	38,477
OPERATING EXPENSES:				
Salaries & Fringe Benefits	3,748	6,260	31	10,039
Operating	7,183	8,698	195	16,076
Depreciation	1,308	4,455	64	5,827
Travel	17	3	1	21
Other	1,552	252	0	1,804
TOTAL OPERATING EXPENSES	13,808	19,668	291	33,767
Income (Loss) Before Operating Transfers	14	4,776	(80)	4,710
OPERATING TRANSFERS:				
Operating Transfers In	570	0	0	570
Operating Transfers Out	0	(1,600)	0	(1,600)
Net Income/Change in Retained Earnings	584	3,176	(80)	3,680
FUND EQUITY, JULY 1	1,914	54,523	692	57,129
FUND EQUITY, JUNE 30	$2,498	$57,699	$612	$60,809

STATE OF COLORADO

COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 1987
(Expressed in Thousands)

	ADMINISTRATION	HIGHWAYS	PUBLIC SAFETY	TOTALS
SOURCES OF WORKING CAPITAL:				
Operations:				
Net Income	$584	$3,176	($80)	$3,680
Item Not Requiring Working Capital:				
Depreciation	1,308	4,455	64	5,827
Working Capital Provided by Operations	1,892	7,631	(16)	9,507
Net Increase In:				
Unpaid Insurance Losses	1,004	0	0	1,004
Capital Lease Obligations	70	0	0	70
Accrued Compensated Absences	13	0	0	13
TOTAL SOURCES OF WORKING CAPITAL	2,979	7,631	(16)	10,594
USES OF WORKING CAPITAL:				
Net Increase In:				
Property, Plant and Equipment	4,367	10,477	0	14,844
Net Decrease In:				
Capital Lease Obligations	0	314	0	314
TOTAL USES OF WORKING CAPITAL	4,367	10,791	0	15,158
NET INCREASE (DECREASE) IN WORKING CAPITAL	($1,388)	($3,160)	($16)	($4,564)
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:				
Cash	$0	$0	($15)	($15)
Receivables, net	(5)	0	0	(5)
Due From Other Governments	(26)	0	6	(20)
Due From Other Funds	475	(3,352)	(4)	(2,881)
Inventories	(32)	(111)	0	(143)
Other Current Assets	(4)	(3)	1	(6)
Cash Overdraft	(2,113)	0	0	(2,113)
Accounts Payable and Accrued Liabilities	415	306	(4)	717
Due to Other Governments	4	0	0	4
Due to Other Funds	11	0	0	11
Deferred Revenue	(113)	0	0	(113)
NET INCREASE (DECREASE) IN WORKING CAPITAL	($1,388)	($3,160)	($16)	($4,564)

TRUST AND AGENCY FUNDS

The Trust and Agency Funds are used to account for assets held by the State in a fiduciary capacity. The major components of these funds are:

EXPENDABLE TRUST FUNDS

UNEMPLOYMENT INSURANCE

This fund accounts for the collection of unemployment insurance premiums from employers and the payment of unemployment benefits to eligible claimants.

STATE TREASURER

This fund is used to record various trust items managed by the State Treasurer's Office, principally, the severance tax trust funds, escheat funds, and the public school income fund.

LAND BOARD

This fund accounts for the disposition of revenues from State land, surface leases, oil and timber sales.

VICTIMS COMPENSATION

This accounts for moneys levied on criminal actions tried in the State courts which are distributed to crime victims.

STATE EMPLOYEES AND OFFICIALS INSURANCE

This fund accounts for the self-insured health insurance for State employees which is administered by Blue Cross and Blue Shield and the life insurance for state workers obtained from Prudential Insurance Company.

AGENCY FUNDS

These funds are held in custody for others. Major items include: judicial and highway contractors escrow accounts, sales taxes collected for cities and counties, deposits held to insure land restoration by miners, assets held for a water and power authority, and deferred compensation funds deposited by State employees.

NONEXPENDABLE TRUST FUND

This consists mainly of funds received from the proceeds of lands granted to the State by the Federal government for educational purposes.

STATE OF COLORADO
COMBINING BALANCE SHEET
FIDUCIARY FUND TYPES
JUNE 30, 1987
(Expressed in Thousands)

	EXPENDABLE TRUST	NONEXPENDABLE TRUST	AGENCY	TOTALS
ASSETS:				
Cash and Short-term Investments	$117,786	$94,956	$75,770	$288,512
Investments	0	69,285	79,053	148,338
Taxes Receivable, net	64,958	0	26,540	91,498
Other Receivables, net	4,153	0	3	4,156
Due From Other Governments	5,929	837	72	6,838
Due From Other Funds	5,772	157	304	6,233
Inventories	3	0	0	3
Other Current Assets	140	0	0	140
Property, Plant and Equipment, net	2,807	7,554	0	10,361
Other Long-term Assets	0	4,729	0	4,729
TOTAL ASSETS	$201,548	$177,518	$181,742	$560,808
LIABILITIES:				
Accounts Payable and Accruals	$12,912	$0	$0	$12,912
Due to Other Governments	2,294	0	40,348	42,642
Due to Other Funds	1,344	0	4,509	5,853
Deferred Revenue	3,729	8	0	3,737
Accrued Compensated Absences	10	0	0	10
Other Liabilities	3,690	0	136,885	140,575
TOTAL LIABILITIES	23,979	8	181,742	205,729
FUND EQUITY:				
Fund Balances:				
Reserved for:				
Other Specific Purposes	177,569	177,510	0	355,079
TOTAL FUND EQUITY	177,569	177,510	0	355,079
TOTAL LIABILITIES AND FUND EQUITY	$201,548	$177,518	$181,742	$560,808

STATE OF COLORADO
COMBINING BALANCE SHEET
EXPENDABLE TRUST FUNDS
JUNE 30, 1987
(Expressed in Thousands)

	UNEMPLOYMENT INSURANCE	STATE TREASURER
ASSETS:		
Cash and Short-term Investments	$81,718	$20,944
Taxes Receivable, net	64,958	0
Other Receivables, net	2,025	1,149
Due From Other Governments	5,794	0
Due From Other Funds	137	2,254
Inventories	0	0
Other Current Assets	0	0
Property, Plant and Equipment, net	0	0
TOTAL ASSETS	$154,632	$24,347
LIABILITIES:		
Accounts Payable and Accruals	$12,067	$0
Due to Other Governments	2,294	0
Due to Other Funds	20	1,149
Deferred Revenue	26	0
Accrued Compensated Absences	0	0
Other Liabilities	1,290	0
TOTAL LIABILITIES	15,697	1,149
FUND EQUITY:		
Fund Balances:		
Reserved for:		
Other Specific Purposes	138,935	23,198
TOTAL FUND EQUITY	138,935	23,198
TOTAL LIABILITIES AND FUND EQUITY	$154,632	$24,347

LAND BOARD	VICTIMS COMPENSATION	STATE EMPLOYEES & OFFICIALS INSURANCE	OTHER EXPENDABLE TRUSTS	TOTALS
$479	$3,683	$3,264	$7,698	$117,786
0	0	0	0	64,958
0	0	0	979	4,153
0	0	0	135	5,929
3,380	0	0	1	5,772
0	0	0	3	3
139	0	0	1	140
0	0	0	2,807	2,807
$3,998	$3,683	$3,264	$11,624	$201,548
$4	$18	$471	$352	$12,912
0	0	0	0	2,294
0	0	0	175	1,344
3,695	0	0	8	3,729
0	0	2	8	10
0	0	2,390	10	3,690
3,699	18	2,863	553	23,979
299	3,665	401	11,071	177,569
299	3,665	401	11,071	177,569
$3,998	$3,683	$3,264	$11,624	$201,548

STATE OF COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
EXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 1987
(Expressed in Thousands)

	UNEMPLOYMENT INSURANCE	STATE TREASURER
REVENUES:		
Taxes	$198,761	$8,652
Licenses, Permits, and Fines	0	0
Charges for Goods and Services	0	0
Interest and Rents	468	12,931
Federal Grants and Contracts	9,245	0
Other	6,545	0
TOTAL REVENUES	215,019	21,583
EXPENDITURES:		
Current:		
General Government	0	161
Business, Community and Consumer Affairs	0	0
Education	0	0
Health and Rehabilitation	0	0
Justice	0	0
Natural Resources	0	0
Social Assistance	247,838	0
Capital Outlay	0	0
Intergovernmental	0	0
TOTALS EXPENDITURES	247,838	161
Excess of Revenues Over (Under) Expenditures	(32,819)	21,422
OTHER FINANCING SOURCES (USES):		
Operating Transfers In	1,005	6,886
Operating Transfers Out	(328)	(19,239)
TOTAL OTHER FINANCING SOURCES (USES)	677	(12,353)
Excess of Revenues and Other Sources (Uses) Over (Under) Expenditures	(32,142)	9,069
FUND BALANCE, JULY 1	171,077	14,129
Residual Equity Transfers	0	0
FUND BALANCE, JUNE 30	$138,935	$23,198

LAND BOARD	VICTIMS COMPENSATION	STATE EMPLOYEES & OFFICIALS INSURANCE	OTHER EXPENDABLE TRUSTS	TOTALS
$0	$0	$0	$0	$207,413
0	3,189	0	2,783	5,972
0	0	12,915	180	13,095
7,402	0	54	556	21,411
0	0	0	276	9,521
49	3,404	0	1,310	11,308
7,451	6,593	12,969	5,105	268,720
0	0	13,246	376	13,783
0	0	0	121	121
0	0	0	239	239
0	0	0	1,050	1,050
0	6,405	0	1,918	8,323
837	0	0	102	939
0	0	0	122	247,960
0	0	0	390	390
0	0	0	1	1
837	6,405	13,246	4,319	272,806
6,614	188	(277)	786	(4,086)
	0			
448	0	0	60	8,389
(7,049)	0	0	0	(28,416)
(6,601)	0	0	60	(18,217)
13	188	(277)	846	(22,303)
286	3,477	670	8,975	198,422
0	0	0	1,250	1,250
$299	$3,665	$401	$11,071	$177,569

STATE OF COLORADO
COMBINING STATEMENT OF CHANGES IN ASSETS
AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 1987
(Expressed in Thousands)

	Taxes and Assessments Collected For Other Funds			
	BALANCE JULY 1	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30
ASSETS:				
Cash	$20,702	243,869	$242,851	$21,720
Investments	0	0	0	0
Taxes Receivable, net	35,611	9,338	371	44,578
Other Receivables, net	0	0	0	0
Due From Other Governments	0	0	0	0
Due From Other Funds	1,227	0	1,227	0
TOTAL ASSETS	$57,540	$253,207	$244,449	$66,298
LIABILITIES:				
Liability to Pooled Cash	$0	0	$0	$0
Due to Other Governments	56,840	197,339	193,772	60,407
Due to Other Funds	0	55,868	47,804	5,064
Amounts Held for Others	1,000	391,998	393,718	5,826
TOTAL LIABILITIES	$57,540	$1,101,125	$1,140,387	$66,298

	Other Agency Funds			
	BALANCE JULY 1	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30
ASSETS:				
Cash	$23,366	$138,478	$139,336	$22,507
Investments	12,898	1	12,852	74
Taxes Receivable, net	0	0	0	0
Other Receivables, net	6	7	13	1
Due From Other Governments	30	150	150	70
Due From Other Funds	10	289	10	319
TOTAL ASSETS	$36,310	$138,970	$152,772	$22,508
LIABILITIES:				
Liability to Pooled Cash	$0	0	$0	$0
Due to Other Governments	0	1	1	1
Due to Other Funds	10	1	9	2
Amounts Held for Others	36,324	147,373	159,191	24,507
TOTAL LIABILITIES	$36,333	$147,378	$159,201	$24,508

Water Authority, Mineral Lease and Other Collections Fund			
BALANCE JULY 1	ADDITIONS	DELETIONS	BALANCE JUNE 30
$9,517	$59,302	$57,251	$11,568
36,056	7,000	7,005	36,051
0	0	0	0
0	0	0	0
3,819	0	-3,819	0
0	0	0	0
$49,392	$66,302	$68,075	$47,619
$0	$0	$0	$0
2,727	174	2,727	174
1,679	0	1,679	0
44,986	29,837	27,378	47,445
$49,392	$30,011	$31,784	$47,619

State Employees Deferred Compensation Funds			
BALANCE JULY 1	ADDITIONS	DELETIONS	BALANCE JUNE 30
$0	$10,010	$10,005	$5
31,671	12,093	836	42,928
0	0	0	0
2	0	2	0
0	0	0	0
95	0	95	0
$31,768	$22,103	$10,938	$42,933
$89	0	$89	$0
0	0	0	0
0	0	0	0
31,679	32,184	20,930	42,933
$31,768	$32,184	$21,019	$42,933

Totals - All Agency Funds			
BALANCE JULY 1	ADDITIONS	DELETIONS	BALANCE JUNE 30
$53,835	$451,680	$429,745	$75,770
80,623	6,290	7,860	79,053
20,613	6,298	371	26,540
8	5	10	3
3,849	184	3,961	72
1,357	194	1,247	304
$160,285	$464,651	$443,194	$181,742
$89	0	$89	$0
41,633	657,215	658,500	40,348
1,689	102,501	99,681	4,509
116,874	700,682	680,671	136,885
$160,285	$1,460,398	$1,438,941	$181,742

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group is used to accounts for fixed assets acquired for general governmental purposes. These include all land, buildings, and equipment except those of the Enterprise, Internal Service, Trust and Agency, and College and University funds.

STATE OF COLORADO
SCHEDULE OF GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED JUNE 30, 1987
(Expressed in Thousands)

FUNCTION AND ACTIVITY	Land	Buildings	Equipment	Construction in Progress	Totals
GENERAL GOVERNMENT:					
Administration	$2,836	$36,879	$17,495	$21,751	$78,960
Agriculture	1,244	3,231	1,904	882	7,261
Governor's Office	0	0	465	0	465
Legislative	0	0	1,222	0	1,222
Military Affairs	688	7,111	260	0	8,058
Personnel	0	0	293	0	293
Revenue	450	5,273	15,287	0	21,009
State	0	159	1,411	0	1,571
Treasury	0	0	65	0	65
Total General Government	5,218	52,652	38,402	22,632	118,904
EDUCATION:					
Education	205	5,174	3,498	0	8,877
Higher Education	2,236	3,449	1,635	0	7,320
Total Education	2,441	8,622	5,134	0	16,197
BUSINESS, COMMUNITY & CONSUMER AFFAIRS:					
Labor and Employment	627	2,827	8,551	0	12,005
Local Affairs	0	76	1,001	0	1,077
Regulatory Agencies	0	0	1,392	0	1,392
Total Business Affairs	627	2,903	10,944	0	14,473
HEALTH AND REHABILITATION:					
Health	0	2,111	6,218	0	8,330
Institutions (excl. Youth Svcs)	5,468	69,791	14,392	2,671	92,322
Total Health & Rehabilitation	5,468	71,902	20,610	2,671	100,652
JUSTICE:					
Corrections	6,389	34,987	9,412	53,250	104,037
Institutions (Youth Services)	75	5,792	1,879	5,512	13,258
Judicial	1,605	11,835	9,053	0	22,494
Law	0	0	143	0	143
Public Safety	65	1,406	16,768	0	18,239
Total Justice	8,134	54,020	37,255	58,762	158,171
NATURAL RESOURCES:					
Natural Resources	99,349	17,622	17,449	14,245	148,664
SOCIAL ASSISTANCE:					
Social Services	8	878	7,458	0	8,344
TRANSPORTATION:					
Highways	2,228	23,949	489	0	26,666
Total General Fixed Assets	$123,473	$232,548	$137,740	$98,310	$592,071

STATE OF COLORADO

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED JUNE 30, 1987
(Expressed in Thousands)

FUNCTION AND ACTIVITY	Balance July 1	Additions	Deletions	Balance June 30
GENERAL GOVERNMENT:				
Administration	$56,332	$30,919	$8,290	$78,960
Agriculture	7,255	230	224	7,261
Governor's Office	430	35	0	465
Legislative	1,757	456	991	1,222
Military Affairs	8,164	17	123	8,058
Personnel	240	53	0	293
Revenue	17,898	3,180	69	21,009
State	430	1,172	32	1,571
Treasury	64	1	0	65
Total General Government	92,570	36,063	9,729	118,904
EDUCATION:				
Education	9,165	2,210	2,498	8,877
Higher Education	7,215	179	74	7,320
Total Education	16,380	2,389	2,572	16,197
BUSINESS, COMMUNITY & CONSUMER AFFAIRS:				
Labor and Employment	11,419	4,665	4,079	12,005
Local Affairs	1,001	157	81	1,077
Regulatory Agencies	1,252	146	6	1,392
Total Business Affairs	13,672	4,967	4,166	14,473
HEALTH AND REHABILITATION:				
Health	7,858	538	67	8,330
Institutions (excl. Youth Svcs)	89,351	3,701	729	92,322
Total Health & Rehabilitation	97,209	4,239	796	100,652
JUSTICE:				
Corrections	74,134	30,641	738	104,037
Institutions (Youth Services)	8,322	5,177	242	13,258
Judicial	21,910	874	291	22,494
Law	466	322	645	143
Public Safety	16,975	3,505	2,241	18,239
Total Justice	121,807	40,520	4,156	158,171
NATURAL RESOURCES:				
Natural Resources	140,152	18,783	10,271	148,664
SOCIAL ASSISTANCE:				
Social Services	11,387	7,212	10,255	8,344
TRANSPORTATION:				
Highways	24,338	2,601	273	26,666
Total General Fixed Assets	$517,515	$116,774	$42,218	$592,071

STATISTICAL SECTION

STATE OF COLORADO
GENERAL FUND REVERSIONS
TEN YEAR SCHEDULE
(Expressed in Thousands)

Fiscal Year	General Fund Appropriation	Appropriation Rolled Forward To Subsequent Year	Reversion	Percent Reversion To Appropriation
1986-87	$2,011,990	$4,426	($10,868)	0.0%
1985-86	1,954,266	5,929	5,022	0.3%
1984-85	1,848,169	8,713	18,423	1.0%
1983-84	1,724,825	1,604	6,076	0.4%
1982-83	1,531,145	1,233	(445)	0.0%
1981-82	1,440,373	3,614	3,172	0.2%
1980-81	1,415,798	4,951	623	0.0%
1979-80	1,192,088	4,247	11,825	1.0%
1978-79	1,051,553	2,619	12,077	1.1%
1977-78	969,457	4,392	7,456	0.8%

REVENUE BOND COVERAGE
LAST SEVEN YEARS
(Expressed in Thousands)

Fiscal Year	Gross Revenue	Direct Operating Expenses	Net Revenue Available For Debt Services	Debt Service Requirements			Coverage
				Principal	Interest	Total	
Higher Education Facilities:							
1987	$115,429	$93,857	$21,572	$5,247	$7,827	$13,074	1.65
1986	110,055	93,245	16,810	6,910	8,347	15,257	1.10
1985	105,289	88,302	16,987	3,934	6,472	10,406	1.63
1984	100,279	81,970	18,309	4,630	6,700	11,330	1.62
1983	96,529	77,154	19,375	4,746	7,104	11,850	1.64
1982	93,298	75,367	17,931	4,697	7,321	12,018	1.49
1981	89,324	73,270	16,054	4,443	7,668	12,111	1.33
Trinidad State Nursing Home:							
1987	$3,174	$3,053	$121	$95	$26	$121	1.00
1986	3,090	2,967	123	90	33	123	1.00
1985	2,900	2,776	124	85	39	124	1.00
1984	2,824	2,701	123	80	43	123	1.00
1983	2,579	2,462	117	75	42	117	1.00
1982	2,433	2,313	120	70	50	120	1.00
1981	2,239	2,120	119	70	49	119	1.00

NOTE: Only seven years of data is available.

STATE OF COLORADO
EXPENDITURES BY DEPARTMENT
ALL FUNDS
FOR THE YEAR ENDED JUNE 30, 1987
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1986
(Expressed in Thousands)

Department	General Fund	Special Revenue Funds	Debt Service Fund	Capital Project Funds
Legislature	$13,923	$0	$0	$25
Judicial	84,315	0	0	0
Governor	25,633	0	0	0
Administration	28,627	0	869	17,282
Agriculture	10,940	0	0	0
Education	971,559	0	0	102
Health	94,044	0	0	0
Higher Education	55,384	0	0	3,923
Highways	3,524	446,043	0	0
Institutions	183,745	0	1,989	9,160
Labor & Employment	52,148	8,559	0	398
Law	14,129	0	0	0
Local Affairs	57,040	0	0	76
Military Affairs	2,922	0	0	52
Natural Resources	33,117	36,404	0	11,532
Personnel	3,197	0	0	0
Regulatory Agencies	27,021	0	0	0
Revenue	54,285	0	0	150
Social Services	827,883	0	0	1,839
State	3,978	0	0	0
Treasury	2,182	127,257	0	0
Corrections	63,124	0	0	28,191
Public Safety	23,627	30,321	0	464
Controller's Non-Operating	1,289	0	0	0
Expenditures Unclassified by Department	30,515	0	0	0
TOTALS	$2,668,151	$648,584	$2,858	$73,194

Enterprise Funds	Internal Service Funds	Trust Funds	College & University Funds	1987		1986	
				Total	Percent	Total	Percent
$0	$0	$0	$0	$13,948	0.3%	$13,546	0.3%
0	0	8,161	0	92,476	1.7%	89,517	1.8%
0	0	0	0	25,633	0.5%	25,935	0.5%
549	13,808	0	0	61,135	1.1%	56,132	1.1%
0	0	58	0	10,998	0.2%	11,445	0.2%
218	0	141	0	972,020	18.3%	937,975	18.9%
9	0	0	0	94,053	1.8%	80,758	1.6%
19,602	0	101	1,278,192	1,357,202	25.2%	1,255,714	25.3%
0	19,668	0	0	469,235	8.8%	457,687	9.2%
1,162	0	1,107	0	197,163	3.7%	210,190	4.2%
236,285	0	247,838	0	545,228	10.3%	454,811	9.2%
0	0	132	0	14,261	0.3%	16,637	0.3%
0	0	68	0	57,184	1.1%	68,306	1.4%
0	0	0	0	2,974	0.1%	2,693	0.1%
0	0	1,683	0	82,736	1.6%	75,076	1.5%
0	0	0	0	3,197	0.1%	3,196	0.1%
0	0	409	0	27,430	0.5%	23,177	0.5%
76,225	0	0	0	130,660	2.5%	125,339	2.5%
9,015	0	123	0	838,860	15.6%	719,547	14.5%
0	0	0	0	3,978	0.1%	2,398	0.0%
0	0	161	0	129,600	2.4%	113,086	2.3%
8,355	291	0	0	99,961	1.9%	87,041	1.8%
0	0	0	0	54,412	1.0%	42,226	0.9%
0	0	13,566	0	14,855	0.3%	26,633	0.5%
0	0	0	0	30,515	0.6%	55,088	1.1%
$351,420	$33,767	$273,548	$1,278,192	$5,329,714	100.0%	$4,954,153	100.0%

STATE OF COLORADO
GENERAL FUND
GROSS GENERAL REVENUES
TEN YEAR SCHEDULE
(Expressed in Thousands)

Fiscal Year	Sales, Use & Excise Taxes	Income Tax			
		Individual	Corporate	Refunds	Net
1986-87	$811,231 37.2%	$1,320,088	$159,221	($260,631)	1,218,678 56.0%
1985-86	816,254 39.2%	1,229,781	138,662	(270,908)	1,097,535 52.7%
1984-85	819,185 41.7%	1,201,319	135,504	(336,264)	1,000,559 50.9%
1983-84	770,300 40.8%	1,050,100	140,400	(299,900)	890,600 47.2%
1982-83	664,300 40.5%	956,400	109,400	(296,000)	769,800 46.9%
1981-82	680,600 44.9%	865,700	126,000	(281,900)	709,800 46.8%
1980-81	605,000 45.9%	757,100	106,700	(299,600)	564,200 42.8%
1979-80	600,900 44.3%	708,900	130,900	(256,800)	583,000 43.0%
1978-79	576,500 44.3%	622,700	116,200	(150,800)	588,100 45.2%
1977-78	498,900 44.0%	539,400	98,600	(106,000)	532,000 47.0%

Inheritance & Gift Taxes	Other Taxes	Interest & Rents	Fiscal Emergency Fund	Other	Totals
$18,433	$93,131	$10,868	$0	$25,733	2,178,074
0.8%	4.3%	0.5%	0.0%	1.2%	100.0%
13,700	83,532	21,224	0	50,481	2,082,726
0.7%	4.0%	1.0%	0.0%	2.4%	100.0%
14,014	72,429	33,743	0	25,452	1,965,382
0.7%	3.7%	1.7%	0.0%	1.3%	100.0%
10,700	65,200	4,500	115,600	31,200	$1,888,100
0.6%	3.5%	0.2%	6.1%	1.7%	100.0%
8,900	60,000	7,600	105,900	23,500	$1,640,000
0.5%	3.7%	0.5%	6.5%	1.4%	100.0%
12,300	57,400	34,500	0	22,400	$1,517,000
0.8%	3.8%	2.3%	0.0%	1.5%	100.0%
6,600	50,400	37,600	0	52,900	$1,316,700
0.5%	3.8%	2.9%	0.0%	4.0%	100.0%
25,700	48,100	53,900	0	43,400	$1,355,000
1.9%	3.5%	4.0%	0.0%	3.2%	100.0%
24,300	43,600	27,300	0	41,300	$1,301,100
1.9%	3.4%	2.1%	0.0%	3.2%	100.0%
22,400	38,800	12,000	0	28,700	$1,132,800
2.0%	3.4%	1.1%	0.0%	2.5%	100.0%

STATE OF COLORADO

NET GENERAL FUND EXPENDITURES AND TRANSFERS

TEN YEAR SCHEDULE

(Expressed in Thousands)

	1986-87	1985-86	1984-85
Legislature	$13,997	$13,045	$12,277
Judicial	82,153	82,074	77,732
Governor	2,817	2,343	2,462
Administration	14,309	15,962	13,626
Agriculture	5,534	5,762	6,299
Education	840,073	809,015	778,179
Health	23,548	24,274	25,069
Higher Education	415,078	399,041	379,664
Highways	0	2	2
Institutions	113,128	110,479	105,663
Labor & Employment	2,379	2,130	2,108
Law	9,264	11,524	4,357
Local Affairs	7,029	6,920	6,792
Military Affairs	1,515	1,460	1,520
Natural Resources	15,579	12,999	11,522
Personnel	3,087	2,911	2,755
Regulatory Agencies	7,065	6,346	6,202
Revenue	21,780	22,607	18,945
Social Services	304,049	263,901	249,328
Secretary of State	0	0	(1,000)
Treasury	778	50,444	54,267
Corrections	63,092	56,945	51,851
Planning & Budgeting	0	0	0
Public Safety	15,752	7,637	6,756
Controller's Non-Operating	55,856	35,494	4,728
Expenditures Unclassified by Department	119,737	152,830	154,436
TOTALS	$2,138,169	$2,096,145	$1,975,540
Percentage Increase From Prior Year	2.0%	6.1%	5.8%

Note: These totals exclude expenditures financed from cash or federal sources.

1983-84	1982-83	1981-82	1980-81	1979-80	1978-79	1977-78
$12,075	$11,912	$10,237	$9,961	$8,210	$8,340	$7,200
68,920	63,206	57,852	49,334	42,620	39,690	37,540
2,087	1,667	1,671	1,623	1,430	1,160	1,480
13,407	13,223	12,409	12,455	12,240	9,610	7,320
5,746	5,847	6,364	5,641	5,020	5,540	4,140
773,958	648,289	583,432	559,906	532,050	473,380	406,360
23,331	25,619	27,617	25,583	20,760	17,660	16,030
370,927	347,306	308,903	266,744	241,670	228,110	204,940
372	338	396	396	260	710	500
99,778	98,616	93,697	78,029	53,690	46,350	43,540
2,325	2,625	2,969	2,467	2,240	2,090	2,420
2,096	1,625	2,138	2,909	3,300	3,820	3,200
10,468	10,623	12,891	11,714	9,490	10,470	9,150
1,500	1,491	1,383	1,283	1,100	900	820
10,440	13,200	22,859	51,494	10,670	10,280	10,180
2,441	2,472	2,730	2,088	1,880	1,770	1,650
5,722	5,927	5,739	5,397	5,180	7,800	6,140
16,762	18,324	14,941	16,270	11,230	9,810	9,150
244,586	211,229	201,594	171,603	143,470	118,690	114,210
(1)	486	1,217	1,394	1,200	1,050	960
415	736	660	58,091	450	4,480	1,130
44,292	40,101	35,391	34,564	25,100	23,920	20,230
466	499	556	994	890	1,450	1,480
0	0	0	0	0	0	0
5,031	4,999	25,941	40,285	9,880	9,780	8,200
150,006	130,264	142,706	151,313	193,462	90,360	98,860
$1,867,150	$1,660,624	$1,576,293	$1,561,538	$1,337,492	$1,127,220	$1,016,830
12.4%	5.3%	0.9%	16.8%	18.7%	10.9%	8.7%

STATE OF COLORADO
ECONOMIC AND SOCIAL DATA

POPULATION:

Following two decades of rapid growth, Colorado's population is over 3 million. Results from the 1980 Census show that the State was the eight most rapidly growing State during the 1970's. Roughly 80 percent of the State's population resides in the twelve metropolitan counties of the Front Range. Rapid growth has also occurred in mountainous resort areas and in energy rich Western Slope counties.

Year	Colorado Population	United States Population
1987 (Estimated)	3,331,000	243,773,000
1986	3,267,000	241,596,000
1985	3,234,000	239,283,000
1984	3,190,000	237,001,000
1983	3,148,000	234,759,000
1982	3,072,000	232,520,000
1981	2,984,000	230,138,000
1980	2,909,000	227,757,009
1979	2,850,700	224,567,000
1978	2,766,300	222,095,000
1977	2,676,400	219,760,000

Source: Demographic Section, Division of Local Government; U.S. Bureau of the Census

WEALTH:

TOTAL PERSONAL AND PER CAPITA INCOME
COLORADO AND UNITED STATES
1977-1987

	Colorado		United States	
Year	Total Personal (000,000)	Per Capita	Total Personal (000,000)	Per Capita
1987 (Estimated)	51,597	15,621	3,695,378	15,197
1986	49,375	15,113	3,486,206	14,461
1985	47,859	14,797	3,310,545	13,867
1984	45,125	14,147	3,101,402	13,115
1983	41,634	13,224	2,833,184	12,093
1982	38,874	12,656	2,660,940	11,470
1981	35,396	11,862	2,512,327	10,940
1980	30,817	10,590	2,252,021	9,910
1979	26,921	9,449	2,026,684	9,025
1978	23,288	8,417	1,806,207	8,133
1977	$20,120	$7,463	$1,601,844	$7,289

Source: Survey of Current Business, U.S. Department of Commerce, Bureau of Economic Analysis, Colorado Business/Economic Outlook Committee

WEALTH (Continued)

COLORADO SALES AND ASSESSED PROPERTY VALUES
1977-1987
(Expressed in Billions)

Year	Retail Sales	Wholesale Sales*	Assessed Property Values
1987 (Estimated)	$24.8	$16.5	(not available)
1986	24.3	15.2	19.2
1985	24.3	15.7	18.7
1984	23.0	14.9	17.9
1983	21.2	13.6	17.2
1982	19.5	13.3	15.7
1981	19.0	12.4	14.8
1980	16.7	11.7	13.7
1979	15.5	11.4	12.5
1978	13.2	9.5	11.6
1977	11.2	7.3	10.7

*Includes only those sales reported on sales tax reports.

Source: Colorado Department of Revenue, Colorado Business/Economic Committee; Annual Report of Property Taxation

COLORADO BANK DEPOSITS AND CONSTRUCTION
TEN YEAR SCHEDULE

Year	Residential Housing Permits (Thousands)	Bank Deposits (Millions)
1986	31.8	$21,569.6
1985	34.0	21,046.9
1984	46.3	19,694.7
1983	50.9	18,199.7
1982	31.3	16,418.0
1981	29.5	14,659.0
1980	30.1	13,388.0
1979	42.3	12,338.0
1978	46.4	10,999.0
1977	38.7	9,635.0

Source: Colorado Department of Revenue; United Bank of Colorado

EMPLOYMENT:

TYPES OF EMPLOYMENT
COLORADO AND UNITED STATES
1986
(Expressed in Thousands)

	Colorado		United States	
Industry*	Employment	%of Total	Employment	%of Total
Agriculture	42	2.9%	3,163	3.1%
Mining	27	1.9%	792	0.8%
Construction	76	5.3%	4,960	4.8%
Manufacturing	185	12.8%	19,186	18.6%
Transportation, Communication, and Public Utilities	88	6.1%	5,286	5.1%
Trade	349	24.2%	23,831	23.1%
Finance, Insurance and Real Estate	98	6.8%	6,305	6.1%
Services	325	22.4%	23,072	22.2%
Government	254	17.6%	16,735	16.2%
Total	1,444	100.0%	103,330	100.0%

*Nonagricultural self-employed, unpaid family and domestic workers not included.

Source: Colorado Division of Labor and Employment, Labor Market Information
U.S. Department of Labor, Bureau of Labor Statistics.

COLORADO RESIDENT LABOR FORCE SUMMARY
1982-1987
(Expressed in Thousands)

	1987*	1986*	1985	1984	1983	1982
Agricultural	41.0	41.6	42.1	42.7	43.2	36.3
Non-agricultural**	1,614.0	1,592.4	1,576.9	1,574.3	1,514.8	1,428.7
Total Employment	1,655.0	1,634.0	1,619.0	1,617.0	1,558.0	1,465.0
Unemployment	117.0	118.0	101.0	97.0	111.0	123.0
Total Colorado Labor Force	1,772.0	1,752.0	1,720.0	1,714.0	1,669.0	1,588.0
Unemployment Rate	6.6%	6.7%	5.9%	5.7%	6.7%	7.7%

*Estimated

**Includes self-employed, unpaid family and domestic workers, and persons involved in labor disputes.

Source: Colorado Division of Labor and Employment;and Colorado Business/Economic Outlook Committee